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Research on Understanding Localised
Policy Interventions in Business
Support and Skills

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Report by ICF GHK for the Department for Business, Innovation and Skills.

The views expressed in this report are that of the authors and not necessarily those of the Department for Business, Innovation and Skills or any other Government Department

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Contents

Executive summary	1
Introduction	1
Study objectives	1
Summary of the key findings and messages	3
Study purpose and context.....	9
Study purpose and objectives	9
Approach.....	10
Report structure	12
Study context and case study overview	13
Introduction	13
Case study overview	15
Greater Manchester Business Growth Hub.....	19
What is the Greater Manchester Business Growth Hub?	20
Origins and design of the Growth Hub	22
Growth Hub management and funding arrangements	27
Growth Hub delivery model and client journey.....	29
Effectiveness and impact to date of the Growth Hub	35
Stakeholder and partner views.....	39
End user views.....	41
Funding and delivery challenges.....	41
Lessons and opportunities for transferring the model to other areas	42
Sustainability considerations and next steps for the Growth Hub	45
Plymouth Growth Acceleration and Investment Network.....	46

What is the Growth Acceleration and Investment Network?	48
Strategic objectives	49
Origins and design of GAIN	51
Strategic management and funding arrangements	55
GAIN delivery model	57
Effectiveness and impact to date	65
Stakeholder and partner views.....	68
End user views.....	69
Challenges	70
Emerging lessons and messages	70
Opportunities for transferring the GAIN model to other areas.....	71
Future of GAIN.....	72
New Anglia Business Information Portal.....	75
What is the New Anglia Business Information Portal?	76
Origins and rationale for the policy intervention	77
Design of the policy intervention	79
Policy implementation	83
Policy effectiveness.....	86
Lessons learned and policy messages	87
West of England LEP Charter Mark.....	89
What is the West of England Employability Charter Mark?.....	90
Origins and rationale for the Charter Mark.....	91
Design of the Charter Mark intervention	95
Policy implementation	98

Delivery and funding impact.....	102
Policy effectiveness to date.....	104
Lessons learned and policy messages.....	106
Summary of key lessons and messages.....	107
Synthesis – key research findings and policy messages.....	109
Introduction	109
Common lessons and messages identified across the four case studies.....	109
Rationale for local policy intervention - market failures and policy gaps persist?	110
Responding to the challenge.....	114
Benefits and impacts.....	114
Challenges and potential barriers to successful implementation	116
Emerging lessons and opportunities for transferring the models to other areas.....	118
Summary.....	121

Executive summary

Introduction

ICF GHK was commissioned by the Department for Business, Innovation and Skills (BIS) in April 2013 to provide robust evidence and analysis relating to four early case study examples of localised business and skills support policy interventions:

- Greater Manchester Business Growth Hub;
- Plymouth Growth Acceleration and Investment Network (GAIN);
- The New Anglia Business Information Portal; and,
- West of England LEP Employability Charter Mark.

This document is the final report and includes the key findings and synthesis of the research, outlining the implications for future policy intervention, in particular the national policy statement on business support to be published in autumn 2013, and identifying a number of recommendations and areas for consideration moving forward.

Study objectives

The overall objective of the study is to gather and present early evidence on the effective implementation and delivery of these four early examples of localised policy interventions that support and/or complement national provision. In particular the research aims to identify:

- How the policy intervention was designed and implemented (e.g. strategic and operational context, delivery and funding model);
- how the local intervention is different from national delivery, understanding the rationale for local differentiation;
- the key enablers, drivers and conditions to achieving outcomes and impact;
- barriers faced and how they were overcome; and,
- identify lessons learned in order to inform wider policy development, including opportunities for replication in other areas of the country.

The case studies are at different stages of development and are 'work in progress' to different degrees, with developmental work still to be undertaken and impacts still to be generated and fully realised. This needs to be borne in mind when reviewing the case study references in this document.

Case study overview

An overview of the four case studies that were analysed for the study is provided below:

- **Greater Manchester Business Growth Hub** – established in November 2011, the Growth Hub is a specialist business growth support service led by Economic Solutions. The Hub provides access to a tailored package of diagnostic, advisory and coaching and mentoring services to accelerate the creation and growth of sustainable growth ventures. At the heart of the model is a Hub Referral Network whereby businesses have access to a core programme of Hub services (including 1:1 advisory support, networking events, workshops) and an extensive partner network, including national initiatives, such as the Growth Accelerator, UKTI activities, Manufacturing Advisory Service, Technology Strategy Board (TSB) supply chain programme, and local initiatives, including Access to Finance and mid growth start-up support.
- **Plymouth Growth Acceleration and Investment Network (GAIN)** – established by Plymouth University, Plymouth City Council and Tamar Science Park in 2012 to accelerate the creation, growth and investment in high quality businesses and ideas in the South West in order to promote wealth and job creation. GAIN draws together more than £120 million of partner activities and assets¹ (including science parks, innovation centres, etc.) and aims to create a focused and accessible network of aspirational businesses and investors, which already comprises more than 500 businesses, employing 32,000 staff and turning over more than £2.7 billion².
- **The New Anglia Business Information Portal** – recently re-launched in March 2013 in response to feedback from users, the Portal enables small and medium sized business across Suffolk and Norfolk to gain access to information on local and national business support services, as well as information on up and coming business events. Specifically, the portal brings together different sources of information about ‘known’ nationally and locally based support on offer to businesses (ranging from finance to exporting, from resource efficiency to contract opportunities).
- **The West of England LEP Employability Charter Mark** – launched in October 2012, it is led by the Skills Group of the West England Local Enterprise Partnership (LEP), which includes representatives from business, Further and Higher Education, training organisations, local authorities, Job Centre Plus and Learning Partnership West. The Charter Mark has just reached the end of the initial pilot phase of the programme, with phase two of the roll out set for September 2013. The main aim of the Charter Mark is to promote greater communication and stronger links between business and education providers. This will enable business to have more of an influence on providers’ curricula, ultimately leading to increased harmonisation of the skills required by businesses in the area and those taught by education providers.

¹ Plymouth University, The regional perspective – GAIN (<http://www1.plymouth.ac.uk/location/campusdevelopments/marinebuilding/Pages/The-regional-perspective-%E2%80%93-GAIN.aspx>), accessed 15th April 2013

² Gain website, <http://www.gaininbusiness.com/article/265/About-Us>, accessed 15th April 2013

Summary of the key findings and messages

Common issues and messages

The four case studies reflect a perceived void in business service and skills provision following the cessation of the Regional Development Agencies. To varying degrees, each of the examples has some basis in previous practice, building on what businesses perceived to be valued and useful.

The four interventions have been developed and designed to help simplify the support landscape, by acting as single access points for engaging with the local business community (e.g. where do businesses start?). In the case of the Greater Manchester Growth Hub, Plymouth GAIN and the New Anglia Business Portal, these initiatives play an important role in helping businesses access and navigate the local and national business support landscape, for example by directing local businesses to appropriate national/local support services/providers (e.g. match making).

These initiatives are also playing an important role in helping drive deal flow by providing an additional route to market for public and private sector providers.

All of the four case studies have faced similar challenges and lessons during their start-up and roll out phases, for example:

- **Attracting external funding has been critical to enable the interventions to scale up their services.** Securing and leveraging funding can, in turn, result in loss of delivery momentum, due to the time lag between funding submission, approval and due diligence and the recruitment of additional members of delivery staff (which is often dependent on funding draw down).
- **Time taken to develop partnerships and programmes is often underestimated, but forms a critical part of the development and design of each of the four interventions.** Personal reach into local networks is critical for identifying and engaging with delivery partners and target businesses.
- **Business engagement to support the design of the policy intervention is important.** Rather than imposing a policy and then contracting the private sector to deliver it, all of the four policy interventions have worked with employers and small businesses to help design the service offer.
- **Measuring value for money.** All of the project examples have faced challenges in defining value for money given the absence of clear benchmarks and the fact that the delivery of impacts is often directly attributable to delivery partners. The multiplicity of different support bodies, resources and assets (e.g. sources such as ERDF, ESF, RGF, etc.), often with differing reporting requirements, can also pose challenges in the development of performance measurement systems. Other areas might therefore be able to address some of the potential funding issues by ensuring that monitoring and evaluation frameworks are in place prior to launch so that impacts can be captured, assessed and used to make the case for future funding.

- **Governance and Monitoring and Evaluation procedures.** All of the interventions recognise the importance of developing robust governance arrangements and monitoring and evaluation procedures to provide accountability, monitor performance and oversee progress and help inform and shape the future direction of policy intervention. Each of the case studies reviewed is at different stages of development, with some more advanced than others – to a large extent explained by the differing start dates of the individual interventions.

For example, during its development the Greater Manchester Business Growth Hub was governed by a Strategic Board for Business Growth. Following a review of business support arrangements within Greater Manchester from the summer of 2013 this responsibility will be taken on by a working group under the Economic Solutions Board. This Board will provide a strategic overview and governance of a range of business growth programmes delivered across Greater Manchester and is accountable to the Greater Manchester LEP Board. Whilst other initiatives, such as Plymouth GAIN which were reviewed as part of this study are currently in the process of further formalising its systems of governance.

Benefits and impacts

The case study analysis has highlighted that the local policy interventions can deliver benefits and economic growth:

- *Supporting the growth agenda:* For example, by June 2015 the Greater Manchester Growth Hub offers the potential to deliver £50 million of GVA and create/safeguard over 2,000 jobs. Through its partners, Plymouth GAIN is already involved with more than 500 businesses, employing more than 32,000 staff and turning over in excess of £2.7 billion.
- *Simplifying the support landscape through improved co-ordination between local and national support programmes:* e.g. through a single point for directing local businesses to appropriate support services. By establishing cross referral systems, joint agreements, etc. the Greater Manchester Growth Hub is helping integrate programmes, such as Growth Accelerator into local support infrastructure. The Hub also operates as part of the supply chain, taking referrals from other organisations, whilst passing on opportunities to others.
- *Helping drive demand and deal flow:* The Greater Manchester Growth Hub, Plymouth Gain and the New Anglia Business Portal offer an additional route to market for a range of public and private providers. This was identified as a key value of the service by both delivery partners and end users, e.g. SMEs are attracted to the Hub and supported through personal introductions and follow ups to the most appropriate sources of help.
- *Leveraging additional funding:* All of the case studies have been successful in securing funding from other public and private partners, including ERDF, Regional Growth Fund, City Deal and Enterprise Zone revenues. This investment has been an important factor to ensuring future sustainability and scaling up of service offers.
- *Improvements over other 'portal-based' interventions:* For example, GAIN is trying to develop a more comprehensive and sophisticated portal that provides bespoke content

for the different cohorts (students, academics, businesses and investors), and a virtual market place where cohorts can access the most appropriate support available

- *Mechanism to improve intelligence on business needs*, barriers to growth and solutions: Including research and intelligence to identify current and future SME growth challenges, issues and employer skill needs in the context in which they operate and establishing key priorities to address identified gaps and shortages in support provision. The 'Growth Hub' model provides an umbrella mechanism to clearly understand the needs of businesses and deliver a support service that effectively meets demand through effective and practically based solutions.

Challenges

Some of the challenges faced by the four local policy interventions have included:

- *Greater Manchester Business Growth Hub*: Delays in funding contracts have restricted the growth of the core team and, as such, has limited the amount of marketing the Hub could offer. It has also been a contributory factor in slowing initial momentum in terms of the ability to scale up its services.
- *Plymouth GAIN*: There is a perception that GAIN is just another government initiative and it has been a challenge to explain that it is run by the private sector and the University. This challenge is being addressed through increased marketing and co-branding of GAIN with partner activities, such as those being delivered by the Tamar Science Park.
- *New Anglia Business Information Portal*: The relatively low visitor numbers and registered users, together with the relatively high cost of developing and hosting the portal, was an initial challenge in terms of demonstrating value for money. However, to the extent that the portal can show that it has an impact on just a small percentage of businesses that would not otherwise have received support, then this simple value for money assessment could quickly change.
- *West of England Charter Mark*: The on-line form was initially difficult to complete, but now more guidance is available when completing it. One challenge in implementing the Charter Mark beyond the pilot phase will be in gaining the initial commitment of education organisations. At first sight, this can seem like "just one more scheme to get involved in" and the key will be to demonstrate that the Charter Mark is a straightforward process and one that is worthwhile.

Lessons and opportunities for replication

Table 1 summarises the key messages from each of the four case studies in terms of key lessons and opportunities for replicating each initiative in other areas of the country.

Table 1: Case study key messages

Policy intervention	Emerging lessons	Opportunities for replication
Greater Manchester Business Growth Hub	<ul style="list-style-type: none"> • Established collaborative working arrangements and alliances exist between the private and public sector across the Greater Manchester LEP with shared priorities for business growth - including exploiting funding opportunities and accelerating the development of unique local-national solutions. • SME Engagement Strategy to extend reach into local networks is critical for engaging target businesses. • There is great benefit to having an organisation that handles customer acquisition and brokerage to solution providers – allowing providers to concentrate on delivery and reduce the sales focus. • Growth Hub must have LA and LEP endorsement, and be aligned with government policy – BUT, with private sector backing (e.g. co-financing models, joint working agreements with banks). • Must complement and build on existing infrastructure and expertise, including UK Trade and Investment, Growth Accelerator and MAS. 	<ul style="list-style-type: none"> • Evidence of Growth Hubs being rolled out across the North West and England. • No ‘one-size fits’ all model – Hubs must be designed to reflect specialisms in local economies and address areas where the demands of businesses are not being met through existing support provision. • There is great benefit to having an organisation that handles this process. Providers can then concentrate on delivery (which they tend to be better at) and reduce the sales focus (which they tend to be weaker at). • Applying a mix of web, telephone and face to face mechanisms may be considered more cost effective delivery approaches for other areas. • Core function of the Hub must remain clear and consistent to avoid confusion in the market place and maintain a strong, visible brand. • Content on the national GOV.UK website could potentially be white labelled³ through a Growth Hub web site. This could be a useful offer to other Growth Hubs.
Plymouth GAIN	<ul style="list-style-type: none"> • Creating a critical mass of assets and services to simplify access through a single gateway. • Neutrality of the model, which should be led by economic development aims and aligned with national and LEP 	<ul style="list-style-type: none"> • Potential to become self-sustainable through income and sponsorship from the private sector. • Significant opportunities to transfer the

³ A white label domain is a domain produced by one company that other companies may re-brand to look like their own.

Policy intervention	Emerging lessons	Opportunities for replication
	<p>priorities.</p> <ul style="list-style-type: none"> • Importance of holistic offer (and use of both virtual and physical components) to provide support to all businesses at all stages so that they can always move to the next step. • GAIN portal, which will continue to evolve to become an advanced tool to provide tailored information and guidance for businesses and investors. • Collaboration with the private sector in the design and implementation stage. • GAIN may benefit from developing a performance measurement system that can accommodate the range of different support bodies. • GAIN needs to continue to formalise its systems of governance in order to effectively engage the range of partners, let them know what they are aiming for and how they can contribute. 	<p>GAIN model, or individual components of the model, to other areas.</p> <ul style="list-style-type: none"> • Plymouth GAIN is already in discussions with a number of organisations about introducing similar schemes in Oxford, the Tees Valley, Coventry and Warwickshire. There has also been international interest from Boston and IBM about the potential for the GAIN model to be used in the United States. • There are also opportunities to modify the model for each local area or transfer individual components of the model, such as: the portal, which has involved a lot of thinking and development time and could be white-labelled and introduced elsewhere; and the Formation Zones, which follow an approach that will work in other areas and could be franchised.
<p>New Anglia Business Portal</p>	<ul style="list-style-type: none"> • The most critical factor for the success of any portal is ensuring that you have relevant, high quality and up to date content, which in turn is dependent on having dedicated human resources to add to/update the information on the portal, as well as a knowledgeable and well represented steering group. • The ability to match the business support services and events to the end users' business details and preferences has supported a more tailored service. • Represents a single point for directing local businesses to both public and private business support and service. 	<ul style="list-style-type: none"> • Whilst it is has never been the intention of the LEP for the portal to be 'sold' or transferred to other LEPs, it is entirely feasible to replicate it elsewhere should a need for a similar business information portal be identified. • In terms of assessing the impact and effectiveness of this policy intervention monitoring the take up of support and services signposted on the portal will be absolutely critical. • The Portal does not operate in isolation; it is part of wider LEP strategy for business support (and growth) and the success of the portal is very much dependent on the availability of public and private

Policy intervention	Emerging lessons	Opportunities for replication
		business support locally and nationally.
West of England LEP Employability Charter Mark	<ul style="list-style-type: none"> • Need a flexible approach in developing the initiative across different types of providers. • Need to raise the profile and success of Charter Mark to both providers and employers so it is not seen as just ‘another initiative’. Can only be done by demonstrating its relevance and added value. • Based on identified employer need. • Build on local skills drivers: employers’ skill needs; issues and dynamics; competition between providers. • Employers (not employer representatives) and providers were both involved in its development. • Involvement of a special school demonstrates its inclusivity. 	<ul style="list-style-type: none"> • Nothing inherent to the Charter Mark that would prevent its transferability. The challenges facing the WoE are the same as those in other economic areas. • Moreover, business needs are very similar across the country and schools, colleges and universities all share the same commitment to helping young people have successful futures. • Therefore, if the Charter Mark proves to be successful in the WoE, its success should be replicable through similar initiatives in other areas or even nationwide.

Study purpose and context

Study purpose and objectives

ICF GHK was commissioned by the Department for Business, Innovation and Skills (BIS) in April 2013 to provide robust evidence and analysis relating to four early case study examples of localised business and skills support policy interventions:

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- West of England LEP Employability Charter Mark.

This document is the final report and includes the key findings and synthesis of the research, outlining the implications for future policy intervention, in particular the national policy statement on business support to be published in autumn 2013, and identifying a number of recommendations and areas for consideration moving forward.

Study objectives

The overall objective of the study was to gather and present *early* evidence on the effective implementation and delivery of these four early examples of localised policy interventions that support and/or complement national provision. The sub objectives are detailed in table 2.

Table 2: Study objectives

Study objective	Areas of analysis covered include:
<p>How the policy intervention was designed and implemented</p>	<ul style="list-style-type: none"> • Strategic background and operational context, including the local economic context, the relationship to current local and national policy developments; • Local policy intervention design, such as the underpinning logic model, e.g. aims and objectives, rationale, outputs and outcomes; • The development and design of delivery model, including options development and appraisal, development and design of the business and funding model and management and governance structures
<p>How the local intervention is different from national delivery; understanding the rationale</p>	<ul style="list-style-type: none"> • What has and has not worked well in the conception, design, implementation and delivery of the intervention; • Enablers and drivers of and barriers to success;

Study objective	Areas of analysis covered include:
for local differentiation	<ul style="list-style-type: none"> • How evident barriers were overcome or circumvented; • Indicators of success and how they are measured; • Value for money, where information is available; • Progress to meeting aims and objectives and target outputs, outcomes and impacts.
Identify lessons learned in order to inform wider policy development, including opportunities for replication in other areas of the country	<ul style="list-style-type: none"> • Lessons learned for broader policy development, taking into account the case studies' local strategic and operational topography; • What practice and learning is applicable elsewhere from the conception, design, implementation and delivery of the intervention; • Scalability and transferability to other areas; • What lessons can be taken for the design of current and future policy interventions that are delivered locally; • What are sufficient and necessary conditions for effective practice; • Benefits, opportunities and conditions for wider implementation.

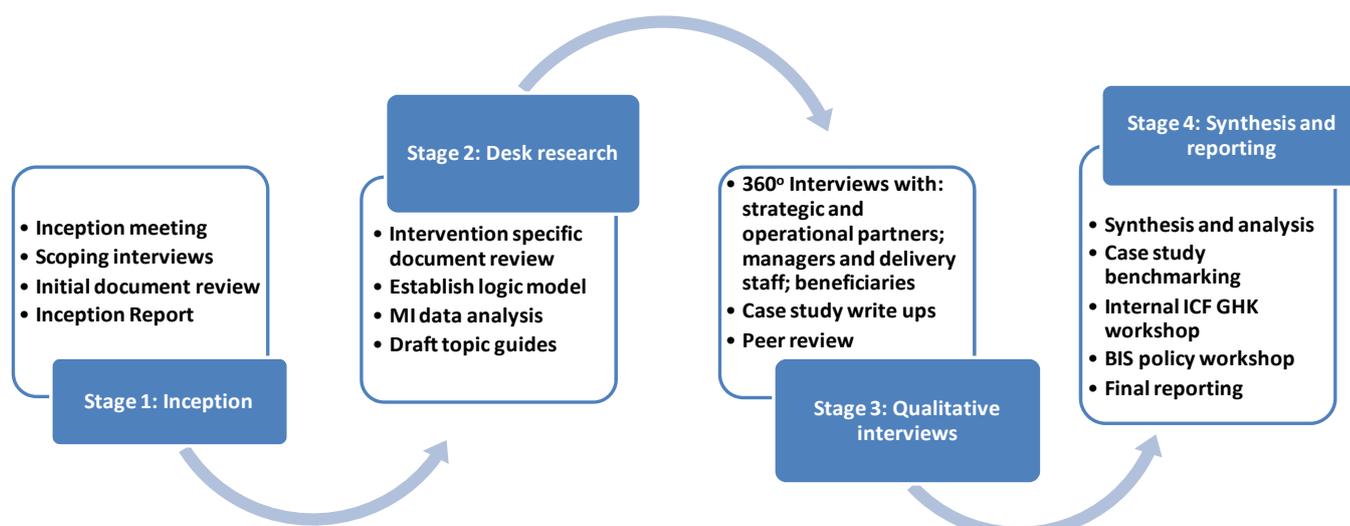
The case studies are at different stages of development and are a '*work in progress*' to different degrees, with developmental work still to be undertaken and impacts still to be generated and fully realised. This needs to be borne in mind when reviewing the case study references in this document.

Approach

The focus of this study was not a dry academic exercise, but to help inform wider policy development of business support and skills interventions. It was, therefore, not simply a case of pointing out good practice, but undertaking an assessment of its transferability and scalability, and usefulness to BIS and local policy clients.

The approach adopted for the collection of qualitative and quantitative information on each of the four interventions was based on 360° interviews with a range of people and organisations involved in each aspect of the intervention, strategic and operational, management, support and delivery, as well as employers.

This approach is summarised below:



Data was gathered for each case study through a range of techniques including:

- Case study visits to the four case study interventions,
- Interviews with strategic and operational leads and partners, and beneficiaries;
- Telephone interviews with other exemplar project leads and delivery partners;
- Telephone interviews with end users; and,
- A literature review focusing on details of the case study subject areas.

A summary of the interviews undertaken for each case study are summarised in Table 3 below:

Table 3: Case study interviews

	Interviews		
	Operational leads	Delivery partner/ stakeholders	End users
Greater Manchester Business Growth Hub	2	8	14
Plymouth GAIN	5	5	10
New Anglia Business Information Portal	3	3	6
The West of England Employability Charter Mark	5	5	3

Each case study covers a range of areas, including:

- Business, delivery and funding models;
- Initial project drivers and subsequent project facilitators;
- Overview of the business, delivery and funding models;
- Partnership and collaborative working, in particular the steps taken to integrate and align with national business and skills support products, including the GrowthAccelerator, UK Trade and Industry and the Manufacturing Advisory Service;
- Lessons learned and what works for each stage of the client journey;
- Key barriers and challenges and how these are being addressed;
- Impacts delivered to date (recognising that some of the policy interventions are in the early stages of roll out);
- Success factors, including the key 'building blocks' for each policy intervention; and
- Opportunities for transferring each intervention to other areas of the country.

Report structure

The report is structured as follows:

- Section 2 sets out the study context and overview of the four case study local policy interventions;
- Sections 3 to Section 6 present the key findings of each of the four case studies including: delivery and funding models; key drivers; the lessons learned; barriers to delivery and how they were addressed and; the opportunities for replication.
 - *Section 3 Greater Manchester Business Growth Hub Case Study*: presents the key findings of the case study analysis.
 - *Section 4 Growth Acceleration and Investment Network Case Study (GAIN)*: presents the key findings of the case study analysis.
 - *Section 5 the New Anglia Business Information Portal Case Study*: presents the key findings of the case study analysis.
 - *Section 6 West of England LEP Employability Charter Mark Case Study*: presents the key findings of the case study analysis.
- Section 7 presents a synthesis of the key study findings.

Study context and case study overview

Introduction

Understanding the policy drivers and the delivery context is vital to gathering a detailed picture of the rationale, development and functionality of local policy interventions. In this section we set out the context, including priority actions for growth and business support initiatives, driving the development of the strategic and operational infrastructure underpinning economic development.

Reflecting national priorities, this section also sets out the local dimension to supporting and enhancing growth, providing the conditions for developing and implementing tailored interventions to meet the specific challenges faced at a local level.

This is followed by a brief overview of the four case study interventions.

The business support landscape has evolved significantly in recent years

The shifting economic landscape and associated policy responses has seen business support systems and the role of Government in the provision of advice and information go through substantial changes over recent years. Supporting growth businesses through targeted and cost effective support for all businesses, however, remains a core theme of Government enterprise policy. For instance, the Local Growth White Paper (2010) UK Plan for Growth⁴, Bigger, Better Business (2011) and the recent Heseltine Review (2013) identify the importance of a support infrastructure that delivers economic impact and growth through removing barriers to growth, cutting red tape, boosting trade and inward investment, stimulating the start-up and growth of sustainable businesses.

National products include: business information and access to tools and schemes through the national website GOV.UK, which has replaced the former Business Link website (as well as directgov.uk); UK Trade Investment Service; new structures for the Manufacturing Advisory Service and Technology Strategy Board; a national Growth Accelerator programme, which aims to support high growth businesses (defined as those that can grow by 20% per annum) in terms of commercialising innovation and developing the business; access to finance programmes (e.g. Enterprise Finance Guarantee, Business Growth Fund, Funding for Lending Scheme, Green Investment Bank); and the recently launched Business Bank and skills intervention, including Apprenticeships and other work based training and employer engagement initiatives.

Greater demand for decentralisation and localism

Since the abolishment of the Regional Development Agencies (RDAs) and the White Paper on Local Growth, there has been an increasing interest and focus on 'localised' policy interventions to help spur economic growth and rebalancing the economy. Consequently, in the last few years, Local Enterprise Partnerships (LEPs) - small, strategic

⁴ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/184602/2011budget_growth.pdf.pdf

partnerships, created by local businesses and civic leaders - have taken on an important role and position within this new policy context for economic development and growth.

Each LEP has received financial resource and support from central government to support their role in providing vision and leadership to drive growth locally. A number of policy initiatives have been put in place to support the new localism agenda; These include the introduction of the Growing Places Fund, Enterprise Zones and the launch of the City Deals; and; new funding mechanisms (e.g. tax increment financing and business rate retention). In addition, national funding interventions, including the Regional Growth Fund, have been used to support the 'localised' policy interventions that are the focus of this study.

The Heseltine Review and the June 2013 Spending Review have further strengthened the localism agenda with an additional £2bn of investment for 2015/16 to be devolved to LEPs in the form of the Local Growth Fund, which will include funding for major transport projects, New Homes Bonus, European Social Fund skills match funding, a local sustainable transport fund and further education capital. For the 2014-2020 European Structural and Investment Funds Growth Programme for England (the "European Growth Programme"), LEPs will also have responsibility for the delivery of strategies for use of their allocations of European Structural and Investment Funds, including investment across a range of policy areas, including innovation and smart specialisation, SME competitiveness, supporting the drive to a low carbon economy, skills and employability and social inclusion.

Implications for Local Enterprise Partnerships

Set within this rapidly evolving funding and support landscape, a key challenge for LEPs and partners is to establish frameworks to help ensure business support is delivered in a coherent, simplified and co-ordinated manner. In designing such a framework a number of issues should be considered in order to ensure that such support is responsive to the needs of local economies and local businesses, including:

- bringing together national and local provision and focusing national programmes on those interventions where the pooling of resources offer the greater potential for delivering improved impact,
- encouraging the sustainability of interventions (e.g. one option could be the co-financing of business support solutions by beneficiary SMEs); and
- promoting a competitive and diverse market without crowding out the private sector offer.

This drive for greater decentralisation implies the need to improve on the existing national and local policy offer and to understand the emerging learning points and lessons from the four early case study examples of localised business and skills support interventions to inform the future delivery of localised business support services to promote growth.

Case study overview

The four local policy interventions that form the focus of this report are as follows:

- **Greater Manchester Business Growth Hub** – established in November 2011, the Growth Hub is a specialist business growth support service led by Economic Solutions. The Hub provides access to a tailored package of diagnostic, advisory and coaching and mentoring services to accelerate the creation and growth of sustainable growth ventures. At the heart of the model is a Hub Referral Network whereby businesses have access to a core programme of Hub services (including 1:1 advisory support, networking events, workshops) and an extensive partner network, including national initiatives, such as the Growth Accelerator, UKTI activities, Manufacturing Advisory Service, Technology Strategy Board (TSB) supply chain programme, and local initiatives, including Access to Finance and mid growth start-up support.
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- **The New Anglia Business Information Portal** – recently re-launched in March 2013 in response to feedback from users, the Portal enables small and medium sized business across Suffolk and Norfolk to gain access to information on local and national business support services, as well as information on up and coming business events. Specifically, the portal brings together different sources of information about ‘known’ nationally and locally based support on offer to businesses (ranging from finance to exporting, from resource efficiency to contract opportunities).

The West of England Employability Charter Mark (Charter Mark) – launched in October 2012, it is led by the Skills Group of the West of England Local Enterprise Partnership (LEP), which includes representatives from business, Further and Higher Education, training organisations, local authorities, Job Centre Plus and Learning Partnership West. The Charter Mark has just reached the end of the initial pilot phase of the programme, with phase two of the roll out set for September 2013. The main aim of the Charter Mark is to promote greater communication and stronger links between business

⁵ Plymouth University, The regional perspective – GAIN (<http://www1.plymouth.ac.uk/location/campusdevelopments/marinebuilding/Pages/The-regional-perspective-%E2%80%93-GAIN.aspx>), accessed 15th April 2013

⁶ Gain website, <http://www.gaininbusiness.com/article/265/About-Us>, accessed 15th April 2013

and education providers. This will enable business to have more of an influence on providers' curricula, ultimately leading to increased harmonisation of the skills required by businesses in the area and those taught by education providers.

Table 4 provides an overview of the four local policy interventions in terms of the year they were established, key delivery organisation and partners, costs and funding sources.

Table 4: Summary details of the case study local policy interventions

Local policy intervention	Year est.	Lead organisation	Partners	Start-up/ operating costs	Funding sources (include)	Local policy intervention
Greater Manchester Business Growth Hub	Nov. 2011	Economic Solutions Group	Include the Greater Manchester Chamber of Commerce, Greater Manchester Local Enterprise Partnership (GMLEP) and over 120 public and private organisations.	Annual running costs have risen from approximately £500k to £1.2m following successful ERDF bid to expand the core team and service offer of the Growth Hub.	<ul style="list-style-type: none"> • Economic Solutions • Regional Growth Fund • National Government procured programmes • European Regional Development Fund • Commercial revenue, sponsorships • Enterprise Zone revenues (from 2015) 	Greater Manchester Business Growth Hub
Plymouth GAIN	2012/13	University of Plymouth	Include: The Heart of the South West and Cornwall and Isles of Scilly LEPS; Local authorities; Formation Zones in Devon and Cornwall; the national University Enterprise Network; Chamber of Commerce.	GAIN is a network and a partnership of £120 million of existing assets and facilities, which are all funded in their own right and responsible for their own performance. Plymouth City Council and Torbay Council	A variety of funding sources are therefore involved in funding GAIN partners, or developing and delivering the GAIN model: <ul style="list-style-type: none"> • University of Plymouth 	Plymouth GAIN

Local policy intervention	Year est.	Lead organisation	Partners	Start-up/ operating costs	Funding sources (include)	Local policy intervention
				have contributed approximately £0.5 million to management costs.	<ul style="list-style-type: none"> • City Deal • Regional Growth Fund • Private sector match 	
New Anglia Business Portal	2012 (piloted) and launched in 2013	New Anglia LEP	Business Support Advisory Group, formed of representatives from the LEP, local business federations and Government (local councils and BIS).	£31,600 development costs: (including annual maintenance). £30,000: operating cost for the portal in 2013/14 including 50% of the web officer costs and running costs of £15,000.	Government and BIS	New Anglia Business Portal
West of England Employability Charter Mark	2012	Skills Group of the WoE LEP	Include: Redland Green & New Fosseway Schools; Brislington Enterprise College; and Bath Spa University.	£200,000 total costs, including staff and employer time in development.	Includes contributions from businesses to deliver employability activities	West of England Employability Charter Mark

Greater Manchester Business Growth Hub

Summary of lessons and policy messages

Greater Manchester Business Growth Hub is a specialist business growth service for SMEs with growth potential that aims to stimulate and accelerate business growth and employment. The Hub acts as a focal point for businesses, providing co-ordinated access to growth programmes, business networks, finance, growth groups, start-up support and links to specialist mentoring, coaching and advice.

Economic and strategic rationale

- Stimulate private sector growth by exploiting local assets and opportunities offered by local economy and respond to the market failures and growth challenges faced by local businesses.
- Following the closure of the Northwest Development Agency, there was concern from the Association of Greater Manchester Authorities and partners that the North West business support landscape was in danger of becoming fragmented.
- Addressing a gap in national policy; national programmes, such as Growth Accelerator, are focused on a narrower range of businesses, leaving gaps in the market place.

Effectiveness and benefits delivered

- Potential to deliver significant economic impact and return on investment, e.g. by June 2015 the Greater Manchester Growth Hub aims to deliver over £50 million of GVA and create/safeguard 2,070 jobs.
- Synergy with national support by helping integrate national provision within local support infrastructure, through referral mechanisms with the Growth Accelerator and Manufacturing Advisory Service, GOV.UK and UKTI.
- Leverage - securing funding from other public and private partners, including European Regional Development Fund, Regional Growth Fund, Enterprise Zone, and corporate sponsorship.

Emerging success factors include:

- Established collaborative working arrangements and alliances exist between the private and public sector across the Greater Manchester LEP with shared priorities for business growth – including exploiting funding opportunities and accelerating the development of unique local-national solutions.
- SME Engagement Strategy to extend reach into local networks is critical for

Summary of lessons and policy messages

engaging target businesses.

- There is great benefit to having an organisation that handles customer acquisition and brokerage to solution providers – allowing providers to concentrate on delivery and reduce the sales focus.
- Growth Hub must have LA and LEP endorsement, and be aligned with government policy – BUT, with private sector backing (e.g. co-financing models, joint working agreements with banks).
- Must complement and build on existing infrastructure & expertise, including UK Trade and Investment, Growth Accelerator and Manufacturing Advisory Service.

Policy messages

- No 'one-size fits' all model – Hubs must be designed to reflect specialisms in local economies and address areas where the demands of businesses are not being met through existing support provision.
- Focus on obtaining the best solutions for Growth Hub client businesses and entrepreneurs.
- Applying a mix of web, telephone and face to face mechanisms may be considered more cost effective delivery approaches for other areas.
- Core function of the Hub must remain clear and consistent to avoid confusion in the market place and maintain a strong, visible brand.
- Collaboration with GOV.UK – growth content on national website could be potentially white labelled through the Greater Manchester Growth Hub website. This could be a very useful offer to all 'hubs'.

What is the Greater Manchester Business Growth Hub?

Overview

The Greater Manchester Business Growth Hub (Growth Hub) was launched in November 2011 and is led by Economic Solutions Group⁷. Key strategic partners include the Greater Manchester Chamber of Commerce, Greater Manchester Local Enterprise Partnership (GMLEP) and the private sector. The Growth Hub operates across the whole of Greater Manchester and is **a demand driven business support service that aims to stimulate and accelerate business growth and employment** across Greater Manchester by

⁷ Economic Solutions Group is a not for profit company that delivers business support, skills, training and recruitment services across Greater Manchester and the UK.

targeting sustainable ventures with growth potential. **The Growth Hub is funded through a variety of public and private sources** (Economic Solutions, commercial revenue, sponsorships, Regional Growth Fund, national Government procured programmes, Greater Manchester City Deal, European Regional Development Fund (ERDF) and GMLEP and Local Authorities).

The Growth Hub acts as a focal point for businesses with growth potential, providing co-ordinated access to business networks, finance, growth groups, start-up support and links to specialist mentoring, coaching, information and advice. Businesses that are recruited to the Growth Hub receive a **Growth Assessment**, the outcome of which forms the basis of an Action Plan that identifies business support solutions to tackle the barriers and challenges the business is facing.

A central feature of the Hub model is a Referral Network where businesses gain access to **specialist growth services** being delivered by a partner network of over 120 public and private organisations. Rather than providing separate services to national and other local provision, the Growth Hub integrates these initiatives within the service (through a mix of cross referral mechanisms, Service Level Agreements, co-ordinated delivery⁸ etc.). **National initiatives that form part of the Growth Hub offer include the GrowthAccelerator (GA), UK Trade and Investment and the Manufacturing Advisory Service (MAS).**

The strategic objectives of the Growth Hub project are to:

- Foster a vibrant growth-led transformation of the Greater Manchester economy which unlocks, expands and accelerates the growth potential of businesses;
- Become a core partner of all businesses with a strong focus on growth and those existing/future businesses that will be key to employment/ GVA growth;
- Bring together and develop a community of companies and growth support providers;
- Create an integrated business growth support service for Greater Manchester that brings together the best public and private growth services; and,
- Establish a cross-referral process with publically funded programmes to ensure the maximum number of Greater Manchester businesses benefit from them.

The Growth Hub aims to address GMLEP, local⁹ and European strategic growth priorities and national economic goals¹⁰ by facilitating business growth and employment generation. By June 2015, the Growth Hub has aspirations to deliver approximately £50m of Gross Value Added (GVA) create/safeguard 2,070 jobs, facilitate the start-up of 190

⁸ The relationships, cross referral arrangements, gateway criteria and the benefits for both parties, are set out in detail in the Growth Hub's "Public Provider Engagement Strategy" which covers national business projects together with local programmes

⁹ For example, the Greater Manchester Growth Strategy

¹⁰ As identified in HM Treasury's Plan for Growth (Mar 2011) (which builds upon BIS's The Path to Strong, Sustainable and Balanced Growth of Nov 2010) – make UK one of the best places in Europe to start, finance and grow a business

new growth businesses and lever approximately £4.8m public and private sector investment¹¹.

Origins and design of the Growth Hub

Rationale for local intervention

As part of its closure programme to March 2012, the Northwest Development Agency (NWDA) worked with the five emerging LEPs¹² as part of a transition process to transfer business support services from the NWDA to new providers, focusing on those products with a clear demand and rationale. The process was overseen by a Regional Leaders Board.

Proposals were outlined to establish a network of local 'Growth Hubs' in each of the five LEPs as a mechanism for co-ordinating a business led, tailored response to local business problems, working to support and integrate local provision with Government programmes and the private sector offer. These proposals were endorsed by the Regional Leaders Board in May 2011. Greater Manchester partners also agreed to the establishment of a strategic board for business growth, trade and investment which has overseen the development of the Growth Hub and associated business growth services.

The Growth Hub was designed to harness the City's assets (including University of Manchester, Manchester Metropolitan University, NHS Hospitals, incubator and science park facilities¹³) and opportunities offered by the area, and to respond to the market failures and growth challenges faced by business and the wider economy, as illustrated below:

Understanding the rationale for local intervention

Exploit existing strengths to stimulate private sector growth: the Manchester Independent Economic Review (MIER) highlighted how Greater Manchester benefits from a critical mass of skilled, knowledge-based jobs. Following strong growth over the past decade, the city generated around £46 billion per annum of total GVA, almost a fifth of the total economic output of the North of England, and created over 90,000 additional jobs (1998–2008).

A notable enterprise and productivity gap still exists: The Local Economic Assessment for Greater Manchester¹⁴ showed that it experiences a notable 'enterprise gap' compared to national averages of productivity, economic activity, business density rates, start-up rates and survival rates. The North West has been under-performing in terms of entrepreneurial activity with 17% fewer start-ups per 10,000 adults and a

¹¹ Greater Manchester Business Growth Hub ERDF Application, August 2012

¹² Cheshire & Warrington, Cumbria, Lancashire, Liverpool City Region and Greater Manchester LEPs

¹³ See New Economy (2011) Science and Innovation Review of Greater Manchester http://neweconomymanchester.com/stories/1334-review_confirms_manchester_as_key_science_and_innovation_hub

¹⁴ Commission for the New Economy. (2011). *Greater Manchester Local Economic Assessment*: http://neweconomymanchester.com/stories/1424-local_economic_assessment

¹⁵ Source: North West RES

Understanding the rationale for local intervention

shortfall of 38,000 businesses compared with the UK average¹⁵.

Addressing challenges facing Greater Manchester businesses: Businesses across Greater Manchester are unusually reliant on debt finance and, as such, recent credit tightening has heightened the need for investment readiness support and better access to other forms of business finance. Although firms in Greater Manchester are well-connected to firms outside the region, large numbers have no trading links with other firms in the region – resulting in slow uptake of innovation.

Addressing gaps in national and local business support provision

The development of the Growth Hub supplier network was informed by consultations with public and private sector organisations. The consultations identified a series of gaps in provision – a result of either the removal or changes to national, regional and local business support provision (see Table 5 below).

Table 5: Addressing gaps in business support provision¹⁶

Greater Manchester Priority	Pre Growth Hub provision	The Gap	The Solution
Encouraging more individuals to start a growth enterprise.	Start-up Britain New Enterprise Allowance Growth Accelerator	Gap in provision for those that have the capacity to develop businesses that are not eligible for the Growth Accelerator or start-up support.	Implementing a programme to accelerate mid-growth start-ups, including finance accelerator programme
To develop highly skilled business leaders. ¹⁷	There are a range of leadership courses available; these tend to be high cost with limited market penetration.	The offer is currently fragmented. Leadership and Management Advisory Service (LMAS) is only available to GA clients. MIER identified a clear need for partners to work together to create specialist support for leadership development.	Developing business leaders' growth capability. The Hub is developing a business Mentoring programme delivered by Business people for Business people. This enables business leaders to find long term mentors to support their professional development and the growth of their

¹⁶ Adapted from Manchester Business Growth Hub ERDF Application (2012)

Greater Manchester Priority	Pre Growth Hub provision	The Gap	The Solution
			business.
Encouraging active networking and linking of growth companies.	Small number of high cost peer to peer growth group programmes targeted at larger companies.	Current peer to peer growth group offer is highly fragmented. Many growth companies in GM do not interact with other companies and miss out on potential benefits.	Develop the Hub's Growth Groups. Growth groups provide a forum for business leaders to reflect on their business, share their concerns / issues with fellow business leaders.
Evidence shows that local firms are not adapting to new digital developments and the opportunities they provide. ¹⁸	Small scale, highly localised offers.	There is currently very little activity to actively support companies to adapt their business models to respond to changes to digital technology.	Developing a <i>digital technology growth programme</i> .

Growth Hub design was informed by partner and business consultation

The design of the Growth Hub was informed by discussions with Higher Education Institutions, sector networks, high growth specialists, and business support organisations. The service offer has also been informed by consulting with growth firms through focus groups and surveys and by accessing business networks, such as the Economic Solutions Group, which has account management and delivery relationships with over 8,000 businesses across Greater Manchester, the Greater Manchester Chamber of Commerce, clients engaged with the Goldman Sachs 10,000 Small Businesses Programme¹⁹, UKTI, and North West Business Angels.

The consultation process identified a set of underlying principles for the prioritisation and focus of Growth Hub services and target activities and have formed the framework for the design and development of the Hub (see box below).

¹⁷ AGMA, (2009). Prosperity for all: The Greater Manchester Strategy. http://www.agma.gov.uk/agma/greater_manchester_strategy/index.html

¹⁸ Greater Manchester Chamber of Commerce, (2012). *Digital Infrastructure Case Studies*.

¹⁹ Launched in the North West in February 2011

Underlying principles of the Growth Hub

- Private sector led with private sector investment and delivery involvement and work to specialisms in local economies, focusing on cross-industry networks to promote innovation and develop trading links.
- Provide support to those businesses that have been clearly assessed as having growth ambition and potential for future high growth.
- Maximise access to, and use of, existing and planned economic, business and innovation assets and services across the area.
- Provide a fuller set of business support services by integrating skills development and leadership and management development.
- Demand led in both design and delivery, providing customised and flexible services where and how mid growth companies wish to access them and responding to the different needs of high growth companies at their different stages of development
- Pursue an investment based approach to resourcing that ensures the most efficient use of public funds, levers high levels of private sector contribution and develops the capacity and willingness of businesses to buy high quality business growth support.

A range of options were considered during design and development of the Growth Hub

This was largely driven by an application for ERDF bid in 2012 to expand the Growth Hub core offer to address gaps in local/national support provision and integrate the national Growth Accelerator Programme (see Table 6).

Table 6: Options analysis

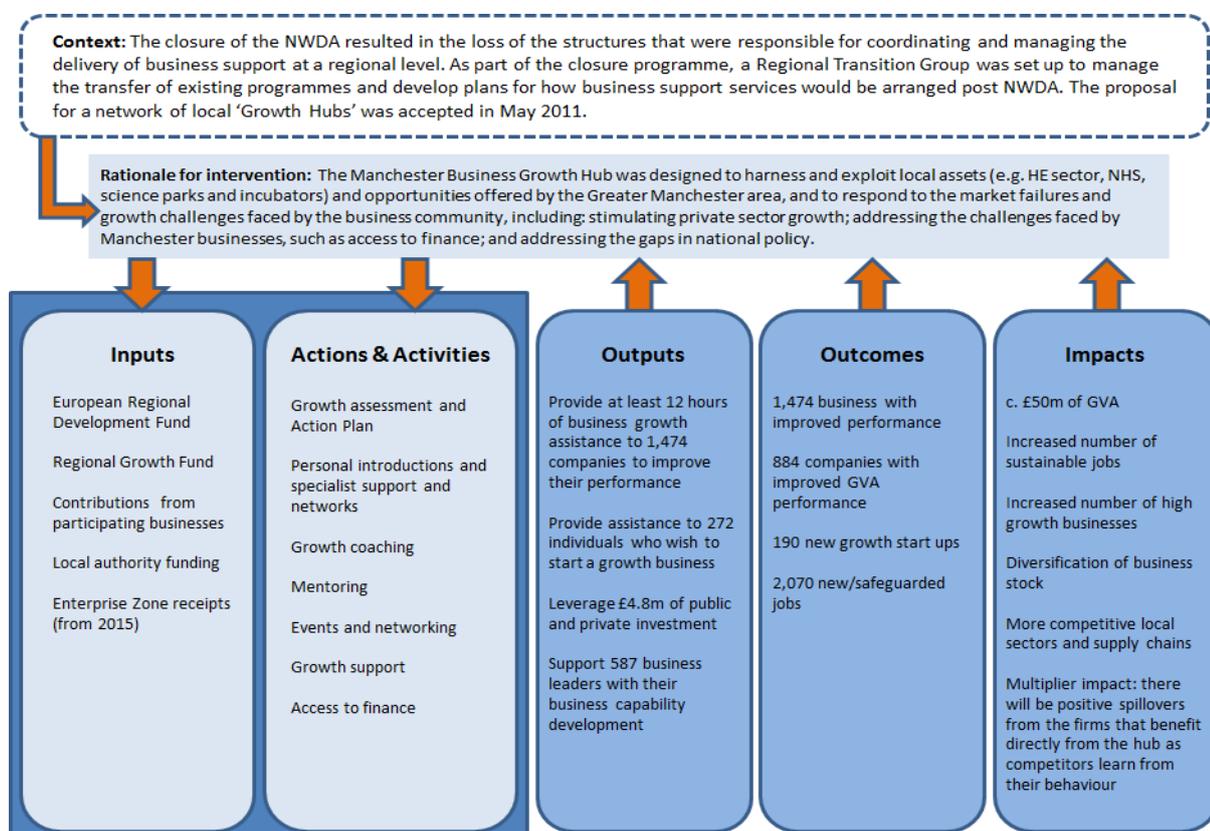
Options	Description	Reason for rejection
Do nothing	GM LEP will continue to run a very small scale Hub that will provide low level brokerage to other providers.	This option has been rejected because it does not address the market failures identified by MIER, the LEA and the GM Strategy.
Online and telephone service only	Economic Solutions to provide initial engagement and advice/signposting via a web & telephone based service.	Surveys conducted by Economic Solutions highlighted that telephone based services alone do not help companies tackle growth barriers.
Sub-contract all delivery	Economic Solutions to act as a contract manager with range of delivery partners.	Economic Solutions delivers business support services in-house and this option would not maximise the

Options	Description	Reason for rejection
		advantage of integrating the Hub with these services.
In house delivery	It would remove all delivery partners and all delivery would be contained within Economic Solutions.	Strategic objective of GM LEP is to ensure maximum local take up of other programmes, such as the national Growth Accelerator – this would not be achieved through this option.
Scale down delivery	Reduce delivery by the equivalent of 6 months.	Does not meet the Greater Manchester Strategy/LEP/City Deal objectives and does not offer value for money.
Preferred option	Greater Manchester Business Growth Hub as described below.	Offered the best return on investment and the most appropriate mechanism to tackle a much larger market than national programmes alone and provide a tailored programme to meet local business growth needs.

Growth Hub logic model

Figure 7 presents a logic model for the Growth Hub, setting out its rationale, objectives and its target outcomes and growth impact.

Figure 7: Greater Manchester Business Growth Hub logic model

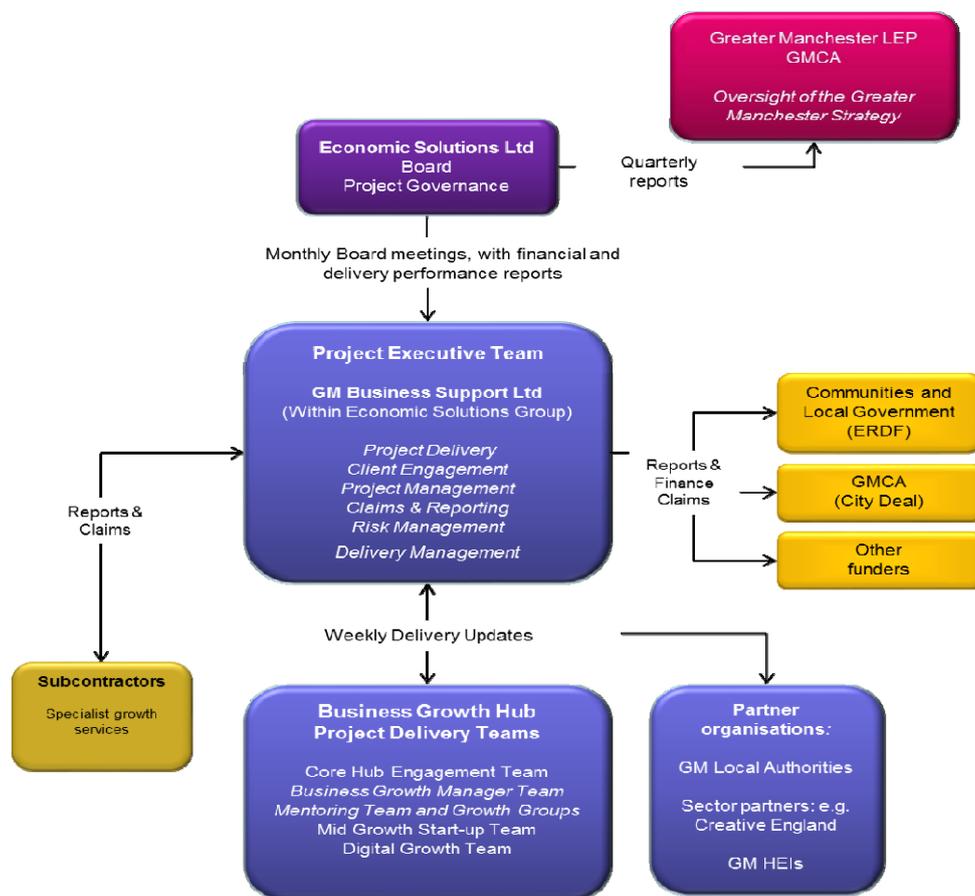


Source: Developed by ICF GHK based on the information collated as part of this research

Growth Hub management and funding arrangements

During its development the Business Growth Hub was governed by a Strategic Board for Business Growth (formally called the Centre of Excellence for Business Growth, Trade and Investment). Following a review of business support arrangements within Greater Manchester from the summer of 2013 this responsibility will be taken on by a working group under the Economic Solutions Board which includes representatives from the Greater Manchester Combined Authority and the private sector. This Board provides a strategic overview and governance of a range of business growth programmes delivered across Greater Manchester and is accountable to the Greater Manchester LEP Board. The Board is also responsible for the performance of the ERDF component of Growth Hub. Figure 8 sets out the management structure for the Greater Manchester Growth Hub.

Figure 8: Growth Hub Management Structure



Source: Greater Manchester Business Growth Hub

Funding the Growth Hub

As summarised below, a variety of public and private resources have been secured to support the development and operation of the Growth Hub:

First phase funding

The first phase development of the Growth Hub was funded by Economic Solutions, and included an initial £500k to establish the Hub and cover the first year of delivery, including:

- a core team of five Growth Hub staff, responsible for development of the referral and delivery network, handling of enquiries; run an IT and telephone based service to diagnose client needs, Hub events, and monitoring impacts;
- development and maintenance of the website (www.businessgrowthhub.com);
- Hub's launch in November 2011 and the inaugural Manchester Conference for Growth;
- a bidding team responsible for securing external funds to enhance the Hub offer.

Second phase 'growth' funding

As part of City Deal negotiations, the Growth Hub succeeded in securing agreement on a number of investment decisions, adding to existing business services resource that has been secured/re-secured including UKTI trade services and the MAS.

- **Regional Growth Fund:** For the period to 2015, it was agreed that a package of £4.4m would be made available from RGF2 to support the Growth Hub and its delivery of access to finance, mid-growth start-up, mentoring and broadband demand stimulation services for Greater Manchester businesses.
- **ERDF:** RGF has helped lever ERDF totalling £3.5m together with small amounts of funding/seconded staff from local authorities to co-finance the Growth Hub and its services up to June 2015. The Growth Hub is working with the Growth Accelerator (GA) delivery consortium to enhance the take up of the service across Greater Manchester via the implementation of a joint Growth Hub ERDF project which includes an enhancement to the GA service.
- **Co-financing and Enterprise Zone revenues:** The Growth Hub is also pursuing a co-financing model and, for example, offers a paid for recruitment and assessment service for other providers and services to clients on a commercial basis. A list of suppliers has been identified with whom the Growth Hub is currently negotiating commercial deals. NatWest is also sponsoring the Growth Hub through the secondment of staff. From 2015, the Growth Hub operation will be part funded with Enterprise Zone revenues.

This additional funding is playing a key role in enhancing the capacity, reach and service offer of the Growth Hub

The financing provided by City Deal, ERDF and RGF will play an important role in expanding the capacity of the core Growth Hub team and the services offered. For example, the funding is expected to see the Hub core team grow to approximately 30 members of staff (including digital growth, mid growth start-up, mentoring, marketing). Agreement with key partners has also resulted in seven seconded posts to improve local connections provided by a number of Local Authorities and Creative England. The Growth Hub has forecast that the costs of running the core Hub are about £1.2m per annum (this includes: telephone and website enquiry handling, events, growth advisors and support staff, website maintenance, marketing, etc.).

Growth Hub delivery model and client journey

The following sets out the key activities of the Growth Hub, from SME engagement and recruitment to its core offer which includes access to specialist support infrastructure available through the Hub Referral Network.

Gateway criteria

The Growth Hub works with businesses that have an ambition and ability to grow. However, the level of intensity of support is dependent on both the ability to grow, the complexity of barriers to growth the firms faces and its ability to implement a growth programme. Whilst support is not restricted to the following companies, the aim is to target investment where it will have the most impact²⁰. The following companies are therefore prioritised:

- SME's with 10 or more employees with the potential to increase turnover or employment by an annual average rate between 5% and 20% over a 3 year period;
- SMEs with fewer than 10 employees that over three years have the potential to increase employment by at least 3 employees or annual turnover by £0.25m; and
- Start-ups with potential to achieve turnover of £0.25m within three years of starting trading, or to have at least 5 employees within three years.

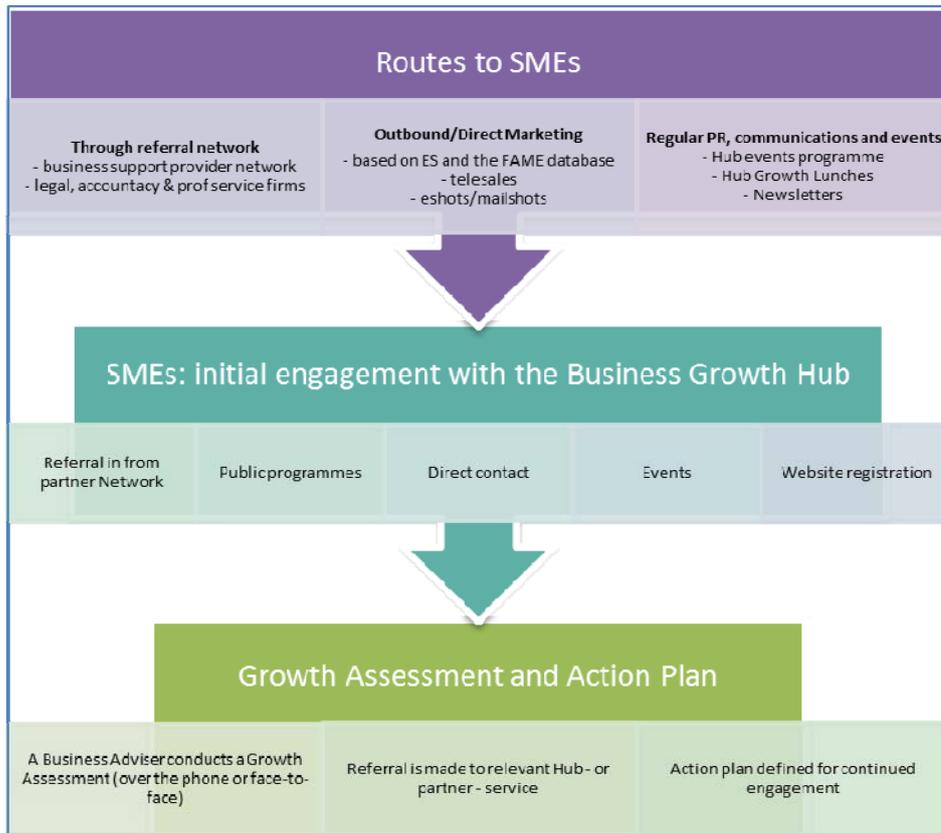
This approach to the targeting of companies will be subject to on-going review as part of the Growth Hub's monitoring and evaluation procedures.

SME engagement and recruitment

An SME Engagement Strategy has been developed for the Growth Hub to inform businesses of the Hub's support package and networking opportunities with business support providers and other businesses (see Figure 9). The Strategy adopts a targeted approach to marketing and engagement, including: **direct market analysis** using business data to target suitable SMEs; **the Hub's referral mechanism** (e.g. the network works directly with a broad range of SMEs across sectors, growth stages and geographical areas across Greater Manchester); and **events and PR** through a deal with Manchester Evening News and other media routes.

²⁰ This is stipulated within the ERDF application to enhance the Growth Hub service offer

Figure 9: Engagement with target SMEs



Source: Greater Manchester Business Growth Hub SME Engagement Strategy

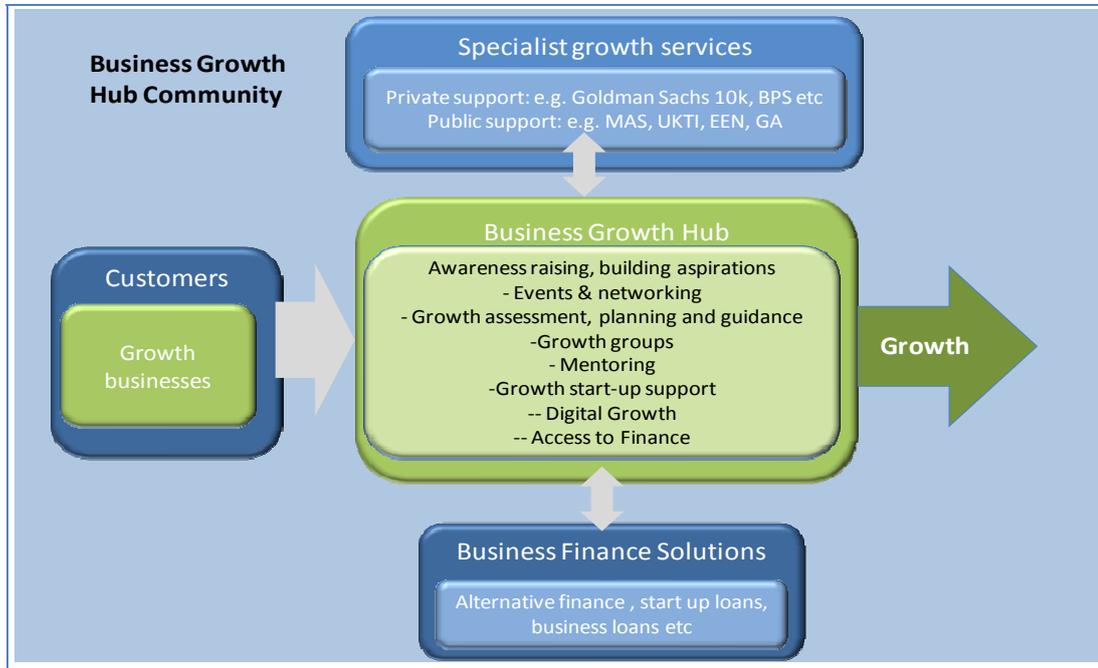
Growth Hub activities

The early stages of the Hub’s delivery focused on coordinating a range of private, public, local and national services and referring businesses with significant growth potential to appropriate support provision and networking opportunities through personal introductions (see Figure 10).

The second phase growth funding identified above has enabled the Hub to increase the Core Growth Team and co-finance its core services and extend its range of support activities. As will be demonstrated below, this funding has also played an important role in helping further integrate local and national business growth services within the Hub, including access to finance, UKTI services, mid-growth start-up support, mentoring and broadband demand stimulation, MAS and the national GA programme.

The Growth Hub provides the following package of support services to businesses (Figure 10):

Figure 10: Overview of Business Growth Hub activities



Source: Greater Manchester Business Growth Hub (2013)

Growth Assessment and Action Plan

On recruitment to the Growth Hub, each business receives a Growth Assessment. The outcome is an Action Plan that incorporates a unique set of assistance, including direct provision of support to the client through the core Growth Hub offer (e.g. either in one-to-one format delivered via the Hub’s Growth Managers or one-to-many as part of a workshop session, through the Hub’s events programmes), or referral to specialist provision, including public support e.g. MAS and private support including Goldman Sachs 10,000 Programme²¹.

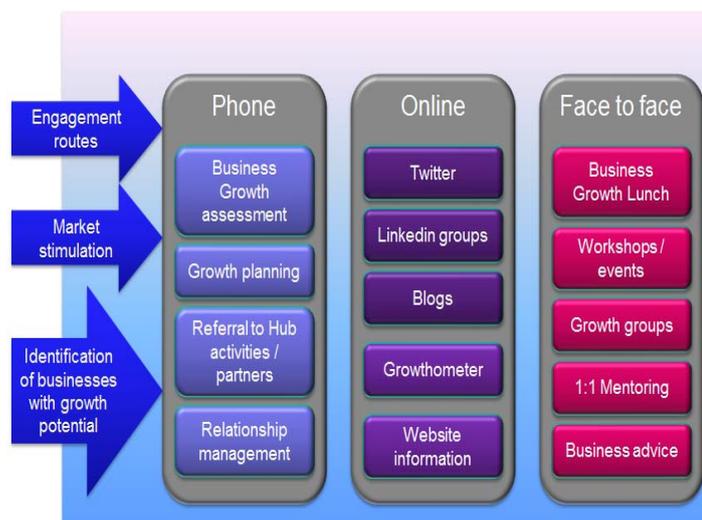
²¹ Goldman Sachs 10,000 Small Businesses is an investment programme that seeks to help entrepreneurs create jobs and economic opportunity by providing greater access to education, capital and business support services. The programme is funded by Goldman Sachs and the Goldman Sachs Foundation.

Figure 11: Engagement Method with Businesses

The Hub uses a mix of web, telephone and face to face mechanisms to engage with businesses (see Figure 5).

The Core Hub team utilises growth assessment tool to identify growth potential and pre-filter applications.

This is complemented by a more in depth financial assessment (e.g. assessment of business strategy, finance, etc.), to determine the overall financial health of the business and current growth rate as a benchmark starting point.



The Growth Hub did originally provide an online growth assessment tool for clients. However, take up of the tool from the business community was generally poor, with feedback from businesses and entrepreneurs stressing a reluctance to open up and share data online (or even over the phone in some cases) about their business, placing much greater value on face to face contact. As a result of this, the Hub has decided to cease using the online tool and provide more focus on the necessary face-to-face support during the early stages of business engagement.

Referral to core Hub offer and specialist services

The Hub has established referral mechanisms to specialist provision; which is outlined in the Growth Hub's Public Provider Engagement Strategy. Businesses have access to specialist growth services being delivered by a partner network of over 120 public and private organisations e.g. Intellectual Property, Design, Legal, Financial, Technology, etc. Table 12 sets out an overview of the menu of Growth Hub core services and specialist support provision available to client businesses through the Hub Referral Network.

Table 12: Menu of Growth Hub services and referral to specialist support

Support service	Description
Mentoring	The Growth Hub worked with NWDA to continue delivering the North West Mentoring Programme from 2012. Clients are matched with a mentor who provides pro-bono advice and guidance to clients. The support is designed to develop new skills and expertise and to enhance networking opportunities.
Events and Networking	Hub events revolve around the Business Growth Lunches. These events provide the opportunity to engage with businesses to find out about their successes and challenges they are facing and enable business leaders to meet peers to share experiences.

Support service	Description
Growth Groups	Directly, and in partnership with external providers the Hub offers peer-to-peer growth groups. Groups meet monthly for a half day, facilitated by the Growth Group Leader and have access to online groups.
Mid-Growth Start-up	The Hub is delivering a business start-up service for 'mid growth' businesses that will be delivered alongside universities (HE Champions), the Growth Accelerator (Winning Pitch - high growth start-ups) and self-employed Business Start-up Support (non-growth start-ups). Support includes: workshops, 1-to-1 Diagnostic, advice and mentoring, On line / telephone advice line - complemented through on-line resources on the Business Link website and the Business Growth Hub advice service.
Digital Technology Growth Programme	The Hub is working in partnership with Transport for Greater Manchester and procured private sector partners to deliver a coordinated programme of education, information and demand building to promote the benefits of new digital technology (e.g. business support events with Hub partners to help SMEs adapt their business models to maximise the benefits from the take up and exploitation of cloud and other technologies).
Supply chain development	The Hub runs specialist events programmes that assist groups of businesses to understand future market trends in the sector, exploiting emerging opportunities and implementing sector standards.
Access to Finance	The North West Access to Finance service was transferred into the Economic Solutions group in 2012. Support ranges from workshops to investment readiness. The service also provides direct access to a range of alternative finance products, including the North West Fund, Business Finance Solutions and Bolton Business Ventures ²² . Referral arrangements have also been developed with high street banks, who are also Hub partners, (e.g. NatWest, Royal Bank of Scotland, Yorkshire Bank).
Enhancing the BIS GA Programme	Builds upon BIS' service and will deliver additional economic growth, improved GVA and job creation, principally through providing deeper involvement with a sub-set of 250 Greater Manchester businesses.
Support for manufacturing companies	Since November 2012 Economic Solutions has been delivering the national MAS across the North West. Any manufacturing client will be referred to MAS for support. The Hub will only provide additional support that is not available through MAS e.g. mentoring.

Partner organisations and their role within the Growth Hub

In addition to the Core Hub Team, the Hub is supported by a network of public and private partner providers from both national and local business support programmes.

²² See North West Fund website www.thenorthwestfund.co.uk, Bolton Business Ventures www.bbvonline.net, Business Finance Solutions http://www.economic-solutions.co.uk/service_brands/business-finance-solutions

NatWest case study: Integrating private sector support into the Hub delivery model

NatWest has agreed a formal mechanism to refer clients to the Hub and have seconded a member of staff to the Hub team to help ensure that the referral process is hardwired into day to day operations. Referrals to NatWest only occur via referral into the Access to Finance Service (see Table 10 above), which provides impartial advice based on client needs. To date, over 70 such organisations have signed up to be referral partners to the Growth Hub service and this will be expanded using ERDF resources through an on-going programme.

Table 13 details some of the other key partner organisations involved in the delivery of the Growth Hub, describing their roles and responsibilities, how relationships are formalised and some of the impacts and successes delivered to date.

Table 13: Partner organisations and their role in the ERDF funded Growth Hub

Organisation	Role in the project
Growth Accelerator	Responsible for the delivery of the GA. Service Level Agreement (SLA) is in place setting out how the ERDF enhanced Growth Accelerator will be delivered within the context of this Business Growth Hub project. SLA also sets out the cross-referral mechanisms between the core Business Growth Hub team and the GA project.
The Women's Organisation	The Women's Organisation is responsible for the delivery of Women's Venture Accelerator within this project. A SLA sets out how the Women's Venture Accelerator will be delivered within the context of the Hub. It also sets out the cross-referral mechanisms between the core Hub team and the Women's Venture Accelerator project.
Local Authorities	Local Authorities (LA) are key referral partners and LA staff have been and will continue to be briefed on the services of the Hub and how they can refer clients to its services. This also includes joint events, shared Labour Market Information, dedicated staff to increase levels of engagement and the funding of four full time posts that aim to increase the take up of Hub services.
HE sector	The Hub also has referral agreements with the University of Manchester, MMU and Bolton. The aim is to link client businesses to graduate placement opportunities and wider University expertise and facilities and build on the assets of the HE sector that could be promoted to SME's, especially those growing and innovating.
Creative England	Creative England (CE) will part fund a post that aims to increase the take up of Business Growth Hub services amongst Digital and Creative business community. CE works closely with the Growth Hub team to deliver joint events on funding and support opportunities, sharing of growth opportunities via the Hub website /events and joint networking events.

Effectiveness and impact to date of the Growth Hub

Performance measurement procedures

In line with standard RGF and ERDF procedures, Growth Hub performance is monitored and evaluated using mechanisms that have passed EU Audits. Economic Solutions has overall responsibility for the management of performance management (e.g. compilation of funding claims, collection and reporting of outputs, contract management of other delivery and subcontracting partners). Key delivery partners (see **Error! Reference source not found.**) work to a standard set of documentation and procedures. The Growth Hub reports to the Strategic Board for Business Growth, which in turn reports to and is accountable to the Greater Manchester LEP Board.

A monitoring and evaluation framework has been developed for the Growth Hub, with arrangements compliant with European and national guidance including the Impact Evaluation Framework (IEF)²³. There are two elements to the evaluation plan: 1) a final formative and summative evaluation of the Project in mid-2015; and 2) an interim/mid-term review (largely formative) in mid-late 2013. The evaluation will be conducted independently and will be used to inform the on-going delivery of business support activities, and will be used to identify what and how the project has contributed towards the strategic objectives of key stakeholders; assess how well the project has been delivered; and measure impact and value for money. On-going customer satisfaction surveys are undertaken with Growth Hub clients, whilst client relationships are recorded and tracked on the CRM system covering all core growth services (e.g. Mid Growth Start-up and mentoring)²⁴.

Progress to date

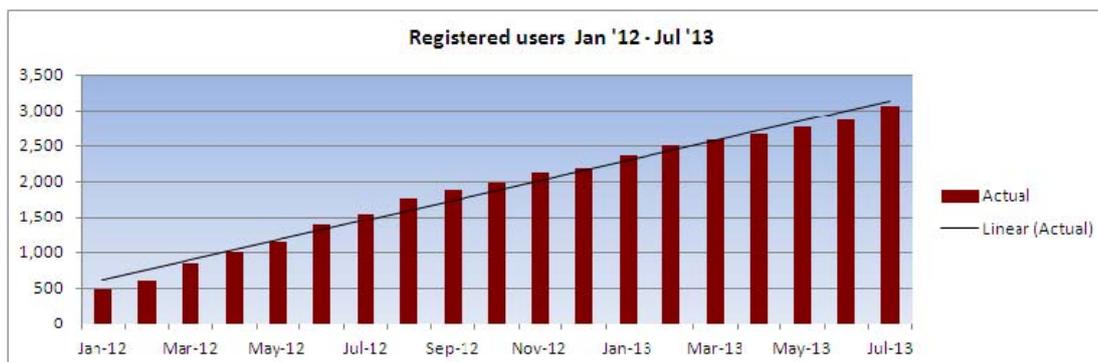
The early stages of the Growth Hub were focused upon coordinating private, public, local and national services for businesses with growth potential. Performance was therefore initially focused largely on the development of the Hub Referral Network, the delivery of events, business lunches and specialist seminars (e.g. Intellectual Property, Accessing Finance, etc.) and on the number of enquiries and referrals to appropriate support.

Enquiries and referrals

Since its launch, the Growth Hub referral network has grown to over 125 public/private organisations; and attracted 2,400 enquiries against a target of 2,000 during its first year of operation, and is receiving over 200 enquiries per month on average (Figure 14).

²³ DTI Occasional Paper No 2 – Evaluating the impact of England’s Regional Development Agencies: Developing a Methodology and Evaluation Framework (February 2006) – available at <http://www.berr.gov.uk/files/file21900.pdf>

²⁴ Winning Pitch under Growth Accelerator will use the national programme systems established by Grant Thornton, whilst the Women’s Organisation have invested in their own CRM system.

Figure 14: Enquiries to the Growth Hub


Source: Manchester Business Growth Hub

The Hub also received over 6,700 (c. 5,000 unique) web-visits in January 2013. Website and social media engagement is on target to meet the 45,000 in-year target. The Hub had a target of attracting 640 delegates to events during 2012 and achieved 2,445, largely due to the popularity of growth events and lunches. During the first six months, partner organisations had referred-in 677 businesses to the Hub and the Hub had referred 769 businesses to partners.

Table 15 provides an overview of Growth Hub outgoing referrals by type between August 2012 and July 2013.

Table 15: Core Hub outgoing referrals by partner type, August 12 to July 13

Partner sector	Referrals
UKTI	55
Access2Finance	252
MAS	69
Mentoring	84
NW Business Angels	28
Start-up support	57
Growth Accelerator	19

Source: Manchester Business Growth Hub

Integrating local and national business support products within the Hub model

A **Public Provider Engagement Strategy** has been also developed to help facilitate the integration of national and local business support provision within the Hub model. It aims to provide the mechanism to oversee the relationships between the Hub and providers of other publically funded business support. The Strategy is managed by the Hub's Senior Relationship Manager and Relationship Management Team. To illustrate how the Growth Hub complements is adding value to national business support products. Table 16

provides an overview of a selection of partnerships that have been developed between the Growth Hub and national business support products, highlighting the benefits for Growth Hub clients and for the partner organisation.

Table 16: Relationships between the Growth Hub and national business support products

Programme	Lead organisation	Cross referral / Joint Working agreement in place	Criteria for referral	Benefits for Growth Hub clients	Benefits for engaging support programme
Businesslink.gov & Business Link Helpline	Managed by BIS with range of sub-contractors.	Informal agreement initially in place with Businesslink.gov (now incorporated within GOV.UK) - growth content on national site could be potentially white labelled through Growth Hub web sites.	Hub clients directed to the web site when they require basic information regarding tax, employment, etc.	Potential source of clients. Signposting destination for non-Business Growth Hub companies.	Wider distribution of new growth content (a key BIS objective).
National skills programmes (e.g. Apprenticeships)	Skills Funding Agency (SFA)	Focus on building long term structures and processes that maximise the engagement of the workforce.	Hub team are briefed on SFA provision and is referring clients to these types of services.	Access to skills support delivered alongside Growth Hub services.	Access to clients and employees of growth businesses.
UKTI's International Trade Programme	Economic Solutions	The Hub does not provide international trade services. Eligible firms are referred.	Businesses who want to improve their export capability.	Hub aims to maximise the joint planning and delivery of the Hub and UKTI services.	Improved penetration of UKTI services into GM growth client base.
Goldman Sachs 10,000 Small Business UK Program	Manchester Metropolitan University (MMU)	Hub led recruitment for the first wave of this programme.	Small businesses and social enterprise leaders (not start-up or sole traders).	Specialist growth support from MMU via a structured programme.	Access to Hub clients.

Source: Greater Manchester Business Growth Hub Partner Engagement Strategy

Economic impact and return on investment

As shown in the text box below it is anticipated that the Growth Hub will deliver significant economic impact in terms of job creation and business growth by June 2015.

By June 2015 the Growth Hub aims to deliver the following impact:

- Assist approximately 1,475 companies with improved performance or new and improved products, processes or services;
- Support approximately 590 business leaders in their skills development;
- Create 190 new growth start-ups and over 2,070 new jobs created/safeguarded; and
- Deliver GVA impact of circa £50 million and lever around £4.8m of public and private sector investment.

Progress against these targets will be measured as part of the formal monitoring and evaluation requirements of the different funding streams that are supporting the Growth Hub (e.g. ERDF). It is important to note that the ERDF contract for the Growth Hub had just been signed at the time of this case study review and therefore the Growth Hub will not be required to report on progress against these targets until later this year. As such the case study was unable to report on progress to date against these targets.

An economic appraisal was undertaken to support the 2012 ERDF application to expand the Growth Hub offer. The economic appraisal included a value for money assessment, which estimated a cost per job of approximately £6,200 and a return on investment of circa £8.30²⁵.

The Growth Hub, therefore, offers the potential to deliver value for money in terms of its return on investment and cost per net job when compared to other similar initiatives and national benchmarks, including the previous NWDA High Growth Programme (cost per net job - £8,800); the national evaluation of RDAs cost per net job for enterprise support - £8,500 and; the evaluation of the Regional Business Start-Up Programme cost per net job - £8,300²⁶.

Stakeholder and partner views

The interviews with partner organisations identified a range of additional benefits that are being delivered by the Growth Hub, including:

- **Improved co-ordination with national support programmes:** by establishing cross referral systems, joint agreements, etc., and therefore helping integrate programmes, such as GA into local support infrastructure. The Hub is working as part of the supply

²⁵ Manchester Business Growth Hub Green Book Appraisal for Skills Solutions Ltd, August 2012

²⁶ BIS (2009) RDA Impact Evaluation, prepared by Pricewaterhouse Coopers

chain taking referrals from other organisations, whilst passing on opportunities to others.

- **Helping drive demand and deal flow:** it offers an additional route to market for a range of public and private providers. This was identified as a key value of the service by both delivery partners and end users, e.g. SME's are attracted to the Hub and supported through personal introductions and follow ups to the most appropriate sources of help.
- **Provision of a more locally tailored offer:** the Growth Hub has been designed to be more specific to Greater Manchester business growth needs with a greater focus on addressing some of the local challenges facing local businesses that previous region-wide programmes were unable to fully address.
- **Leveraging additional funding:** the Growth Hub has been successful in securing funding from other public and private partners, including ERDF, RGF, Enterprise Zone, corporate sponsorship and in-kind support in the form of secondments to the Growth Hub (e.g. NatWest). This has been key scaling up the Growth Hub offer.

A selection of delivery partner and stakeholder views is provided below:

“It is a Hub – a match-making organisation – bringing together businesses and organisations in situations where there can be a mutual benefit. From that perspective it is different to other programmes that are one organisation supporting another organisation. The matchmaking part of it is what differentiates it’ [Delivery partner]

‘The Hub as a whole appears to be effective in bringing businesses together and opening up new possibilities for the private sector’. [Partner organisation]

‘The access to finance service has been beneficial, as, in the absence of Business Link, businesses have been unsure of where to go, so this has acted as a conduit for them. Many of the clients that we have referred have been to the access to finance service’. [Delivery partner]

Our company has benefited from being able to introduce a number of our clients to the Hub and from also raise our company profile with the business community’. [Delivery partner]

‘The Growth Hub has key people in place who provide a commercial perspective, whilst they are also bringing partners who have a commercial perspective, so it has not got the same limitations as similar, or previous public sector initiatives’. [Delivery partner]

End user views

The box below highlights some of the views from business end users about the Growth Hub.

A snapshot of end users views about the Growth Hub

'The Growth Hub has aided my business by helping me develop defined business pathways, professional business language, client interface techniques...through my mentor I have also developed a network of business contacts.' (Client of Growth Hub in house Mentoring service)

'The advice we have received on accessing finance and getting "investment ready" has been invaluable. The only downside is the time it is taking for funding to be received.' (Client referred out to the Access to Finance service)

'The mentoring, access to finance and the introductions to partners have all worked well and benefited my business.' (Client of mentoring and access to finance service)

'The Hub was very quick and efficient and we had somebody in place within 3-4 weeks of the first contact. The mentoring service has been very good ever since – my mentor is competent professional and does the job.' (Client of the Growth Hub mentoring service)

'The Hub worked well in that it referred us to MAS, which was the appropriate service for us.' (Client referred to the Manufacturing Advisory Service)

'The main benefit that the Growth Hub has over similar interventions is critical mass, in that it has some people there to provide advice, rather than a web portal type referral service.' (Client business that has accessed a range of support)

Funding and delivery challenges

Funding challenges

The transition from RDA to new LEP geography has not been without challenges. Having a sub-regional infrastructure and established partnerships in place has helped ensure a central support function has continued, but funding delays have been a key challenge. This has restricted the growth of the core team and, as such, has limited the amount of marketing the Hub could offer and has also been contributory factor for slowing initial momentum in terms of ability to scale up its services.

The consultations with partners and end users identified that the Hub could have done a lot more if they had had the resources in place, for example:

'the Hub has not been able to recruit people into key roles and as a result of that their marketing, although it has been good - has not been as extensive as it could have been'.

'the length of time that it takes to "get things signed off". It takes a long time for partnerships to get formally signed off on and for funding to filter down to where it is needed. As one of their suppliers, it can be quite frustrating'.

The interviews also highlighted that the delays in funding contracts has also slowed the development of a number of activities, including the mentoring service aimed at established businesses. For example, demand from the Start-up loans (SUL) for young people scheme for mentors is high; most SUL applicants require Business Start-up advice rather than mentoring. Alternative Solutions for Growth support is therefore being

developed for SUL clients. A significant increase in the number of business mentors is now being targeted to meet growing demand from established business people as well as for the small number of SUL clients who progress to a stage where they are ready for business mentoring.

Ensuring effective coverage of the Growth Hub offer

The partner and delivery organisations and end users interviewed were aware that partnership development is still a 'work in progress' and that significant work has been undertaken by the central Hub team over the last couple of years to bring together a strong core of public and private partners (both local and national).

The interviews highlighted that further development is required in terms of:

- **Ensuring Growth Hub coverage across all local authority areas across Greater Manchester** in order to meet Greater Manchester Growth Strategy priorities. Resource issues may mean that not all authorities can second staff/provide match. Moving forward and as further funding is channelled into the Hub, it is important that work continues with individual Local Authorities to ensure effective coverage and targeting of resources. This is potentially a key risk to the future of any Hub – the fragmentation of the marketplace provides the opportunity of individual partners to 'go it alone' and not collaborate with a Growth Hub. The Hub needs critical mass, especially in terms of the support of stakeholders and funders.
- **Ensuring that referral mechanisms are in place to refer individuals/businesses that do not meet mid-growth or high growth criteria to appropriate provision**, for example, Work programme, New Enterprise Allowance.
- **Clearly defining the parameters of the Growth Hub offer (e.g. is it a broker, provider or both?)** to avoid confusion in the market place. The interviews did raise some concern that the Growth Hub could gradually become an agglomeration of different services and that there is a danger that it may become unclear to businesses as to where the Growth Hub ends and external services begin.
- **Explore further the willingness of client businesses co-finance support services:** a number of interviewees indicated that an important factor that attracted them to the Growth Hub was the fact that some support services were free of charge, for example one client of the Hub's mentoring service stressed '*Had I not received support through the mentoring service, then I may have considered using another mentoring service, but only if it was free of charge*'.

Lessons and opportunities for transferring the model to other areas

The Growth Hub has received Local Authority, LEP and business endorsement

Greater Manchester is characterised by long established and strong collaborative working arrangements between the private and public sector around common themes and beneficial alliances, with shared priorities for business growth across the LEP and with adjoining LEP areas. These alliances, in addition to LEP endorsement, have played a key role in facilitating the development of a Greater Manchester strategy for business growth, of which the Growth Hub is a key priority in terms of providing a mechanism to simplify

access and navigation of the support infrastructure available to SMEs across Greater Manchester.

Accessing sources of public and private sector funding have also played a prominent role in helping the Growth Hub to put in place the framework to develop a support solution that is both unique and responsive to the needs and opportunities evident within the Greater Manchester economy. This could pose a challenge for other localities that do not have established partnerships and a strong track record of accessing funding resources.

The research has identified a number of emerging success factors for the set up and initial roll out of the Greater Manchester Growth Hub.

Emerging lessons

The **Growth Hub aims to complement and add value to national provision**, focusing on businesses with ambition and drive to grow; have potential 10-15% growth per annum; already growing by at least 20% per annum (referral to Growth Accelerator). Referral arrangements are in place through the Partner Engagement Strategy to ensure organisations that do not meet the eligibility criteria for the Hub are referred the most appropriate support.

Attracting external funding has been critical to enable the Growth Hub to scale up its services. £500k to establish the Hub and cover the first year of delivery, but until City Deal, ERDF and RGF funding the Hub core offer was limited largely to a team of five Growth Hub staff (plus secondees) – this slowed the initial momentum and impacts of the Growth Hub.

The Hub as a ‘match making organisation’ was identified as a distinctive and unique selling point, in particular by engaging and supporting the supply chain whilst simplifying the message to consumers. The Hub brings together businesses with a wide range of services; access to finance, UKTI services, mentoring and broadband demand stimulation and the national GA programme. Having these services linked centrally was identified as healthy for mutual promotion, understanding the service offer of Hub partners and for developing referral systems.

Service offer must be demand led in both design and delivery. To better understand the needs of growth companies, the Hub has commissioned an annual survey to develop business intelligence. The survey aims to identify the opportunities and barriers to growth across a range of themes, including: enterprise demographics and performance, trade & internationalisation.

Establishing governance arrangements is important for ensuring accountability and shaping the future direction of business support. A public private board was established to oversee the delivery of the Growth Hub, including performance against ERDF targets. The Economic Solutions board provides a strategic overview and governance of a range of business growth programmes delivered across Greater Manchester

SME engagement strategies are a useful tool. The marketing and branding of the service offer is critical. Personal reach into local networks (e.g. Local Public/Private partnerships and business associations, such as Local Authorities, Chambers of

Emerging lessons

Commerce, local Institute of Directors branches) is key for identifying and engaging with target businesses, identifying their support needs, and understanding gaps in provision.

On-line tools do not always work effectively. Despite being cheaper delivery option to face to face meetings the take up of on-line tools by businesses and individuals can be low as individuals can be reluctant to share data on-line. In the case of the Greater Manchester Growth Hub this resulted in them ceasing to use their on-line growth assessment tool-kit.

Growth Hubs are being rolled out across the North West region

The Cumbria and Lancashire LEPs have endorsed the development of the Hub model to support and accelerate business growth in key sectors in their areas. A key driver has been the North West ERDF Operational Programme which allocated approximately £15m to fund the establishment and delivery of Growth Hubs. These Hubs, some which are being rolled out during 2013, follow similar principles to the Manchester Growth Hub in that they aim to reflect the specific local economic conditions and challenges evident in their area and be highly integrated within their local economies and existing business support structures. The Greater Manchester Business Growth Hub is working with these new Growth Hubs to share their approaches.

Lessons for replicating the Hub model in areas with less resource

"I believe that it would be very easy to apply the Growth Hub model in other areas, but only at a city region/regional level. It would work best in other areas that are not fulfilling their full potential - similar places to Manchester. It may not be so relevant in places like London that are 'recession proof'". (The views of a partner organisation)

The consultations and desk research have identified a number of challenges that might be faced in terms of scaling up and implementing the Growth Hub model in other areas. It will be **extremely difficult to implement a 'one-size fits' all model**. The review of the Greater Manchester Growth Hub model has identified a number of components of the model that could potentially be applied in other areas of the country, including:

- **Common Hub principles and objectives:** such as designing a model that responds directly to specific local economic conditions, fill gaps in provision where demands of business are not being met and complements existing national/local infrastructure.
- **Central 'hub' to handle customer acquisition and personal introductions to solution providers.** There is great benefit to having an organisation that handles this process (e.g. similar to those operated by EBay and Google). Providers can then concentrate on delivery (what they tend to be better at) and reduce the sales focus (what they tend to be weaker at). This is a useful supply chain model but it requires strong and open communication to ensure that providers needs' are catered for and it is often undermined when the acquisition arm starts to push either 'favourite' products or its own.

- **CRM is often expensive and complex and sharing lessons learnt between ‘hubs’ could be advantageous.** Additionally, many systems are simply too expensive for small agency contracts and a ‘sub-contract’ or sharing relationship could be beneficial. Again, this is another advantage of a Hub type approach, with economies of scale and greater potential longevity.
- **Face to face provision is identified as an important feature of the Greater Manchester Growth Hub model.** This, however, can be very expensive to deliver, so funding will be an issue. The Manchester model is also applying a mix of web, telephone and face to face mechanisms, which may be considered more cost effective delivery approaches for other areas.
- **Opportunities to syndicate content from national websites** – e.g. content on the national GOV.UK website could be potentially white labelled through a Growth Hub web site.

Sustainability considerations and next steps for the Growth Hub

The Growth Hub is currently developing a post 2015 funding model and is negotiating commercial and sponsorship deals with a range of organisations whilst, from 2015, the Growth Hub operation will also receive funding from Enterprise Zone revenues. The next stage of development of the Growth Hub is to pursue a strategy that will implement the City Deal and ERDF Growth Hub contracts including the recruitment of staff and the scaling up of operations. This will also include the deepening of up front, face-to-face diagnostic and advisory services and the continued development of processes to integrate and coordinate national business support services. Work is also on-going in terms of developing proposals on future arrangements for innovation support for discussion with national and local partners (e.g. Technology Strategy Board); with the aim of helping embed innovation support locally and supporting employers to take a greater role in commissioning the support they require for their workforce development and to implement high performing workplace strategies.

Plymouth Growth Acceleration and Investment Network

Summary of key lessons and policy messages

GAIN is a strategic framework and a sub-regional partnership and information and signposting network of innovation and business support services, assets and facilities. It is a relatively low resource 'Growth Hub' model, which aims to build upon and add value to existing provision by providing the 'wiring' to join it up, whilst also providing a framework for the development of new assets and services.

Economic and strategic rationale

- Local economic challenges, including particularly low levels of productivity and innovation.
- Assets and services had been working in isolation and needed to be more integrated.
- Addresses a gap in business support activity left by the closure of RDAs.
- Led by Plymouth University as South West LEPs were in the early stages of development.
- National offer is not always relevant for local needs and local take-up of national schemes is low, suggesting a need for a more bespoke and locally nuanced offer.
- GAIN brings together those with ideas, funds, R&D facilities and production capabilities to accelerate the creation, growth and investment in high quality businesses and ideas.

Effectiveness and benefits delivered

- Creates a critical mass of innovation and business support providers to support the local economies in the Cornwall & Isles of Scilly and Heart of the South West LEP areas.
- Provides a clear route of access to new business and growth opportunities, finance and investment, research facilities and expertise, and local / national support schemes and services.
- Through its partners, GAIN is already involved with more than 500 businesses, employing more than 32,000 staff and turning over in excess of £2.7 billion.
- Difficult to assess the impact of GAIN given the early stage of its development and

Summary of key lessons and policy messages

the fact that it is largely a network of existing assets, facilities and services. However, GAIN has started to fill gaps in provision and has developed some new assets and services would not have happened without GAIN.

- Has played an important role in supporting the City Deal bid and leveraging RGF funding.

Emerging success factors

- Creating a critical mass of local provision to improve and simplify access via a single gateway.
- Neutrality of the model, which should be led by economic development rather than political aims.
- Importance of holistic offer (and use of both virtual and physical components) to provide support to all businesses at all stages so that they can always move to the next step
- GAIN portal, which will continue to evolve to become an advanced tool to provide tailored information and guidance for businesses and investors.
- Collaboration with the private sector in the design and implementation stage.
- Alignment with national policy and LEP priorities to ensure public sector support.
- Quality of partners and referral processes.

Emerging messages

- The combination of physical and virtual components is considered good practice, as is the development of innovative sources of funding, which can be accessed via the portal.
- Helps to simplify the business support landscape and add value to existing assets and services provided by the public and private sectors.
- Potential to become self-sustaining through income and sponsorship from the private sector.
- Significant opportunities to transfer the GAIN model, or components of the model, to other areas.
- City Deal and RGF funding has supported the development of GAIN but is not considered essential to its on-going delivery - other areas could introduce GAIN

Summary of key lessons and policy messages

without this funding.

- Already widespread interest in the scheme from elsewhere in the UK and overseas.

What is the Growth Acceleration and Investment Network?

The Growth Acceleration and Investment Network (GAIN) was established by Plymouth University, Plymouth City Council and Tamar Science Park to accelerate the creation, growth and investment in high quality businesses and ideas across the South West peninsula, from Somerset to Cornwall, in order to promote wealth and job creation. In essence, GAIN is a strategic framework and a sub-regional partnership and information and signposting network of innovation and business support services, assets and facilities. It is a relatively low resource 'Growth Hub' model, which aims to build upon and add value to existing provision by providing the 'wiring' that joins it up, whilst also providing a framework for the development of new assets and services.

GAIN aims to become a one-stop information point for local businesses, entrepreneurs and academics and promote a more holistic and accessible offer. It is currently developing the GAIN portal (<http://www.gaininbusiness.com/>) to become the centre piece of the support model, and provide access to local and national initiatives, sources of finance, workspace and business support services. It also aims to encourage cross-referral between partners to ensure that businesses are able to find and access the most appropriate support for their needs, irrespective of their entry point to GAIN. GAIN is still in the relatively early stages of its development and continues to expand rapidly in terms of its partners (and the services, assets and facilities that they provide), services, geographical coverage and its strategic objectives. It initially had a strong innovation focus and was targeted at science and knowledge-based businesses and opportunities in the Plymouth area. However, it is already evolving into something with a much larger, broader scope covering the wider South West peninsula and supporting growth of all local businesses.

'From pre-incubation to capitalisation, our aspiration is that no good business idea should fail through lack of investment or support. GAIN seeks to create a supportive environment that enables businesses to grow at whatever stage in their journey'.

Source: Plymouth GAIN briefing paper (2013)

GAIN provides a gateway to a significant and growing network of public and private partners involved in delivering business support, awards and competitions, incubation space and business accommodation, meeting rooms, training, recruitment, specialist research facilities and expertise, tender and sourcing opportunities, funding and finance.

Key partners include:

- The Heart of the South West and Cornwall and Isles of Scilly Local Enterprise Partnerships (LEPs);
- Local authorities across the South West peninsula;
- Formation Zones in Devon and Cornwall;
- Cornwall's Unlocking Potential programme;
- Cornwall's three innovation centres;
- the Beacon peer-to-peer business network across the South West;
- the national Social Enterprise University Enterprise Network;
- Devon and Cornwall Business Council;
- Plymouth Manufacturers Group; and
- Plymouth, Cornwall and Somerset Chambers of Commerce.

The approach is particularly unique because of the central role of Plymouth University as a 'neutral space', acting as the conduit between the business base, the knowledge base and key business support programmes. This has helped to address one of the key local challenges of turning knowledge and ideas into commercial opportunities.

Strategic objectives

GAIN was set up to accelerate the creation, growth and investment in high quality businesses and ideas in order to create wealth and jobs in the South West. The overriding objective of the network is to establish and facilitate linkages and partnerships between the individuals and organisations with: ideas; funds to invest; R&D facilities; and production capabilities. GAIN aims to achieve a greater critical mass, create synergies and offer a range of services, facilities and capabilities that is greater than the sum of its parts. It aims to build on, and join up, existing facilities and services to create a focused and accessible network of aspirational businesses and investors.

Specific aims of GAIN include:

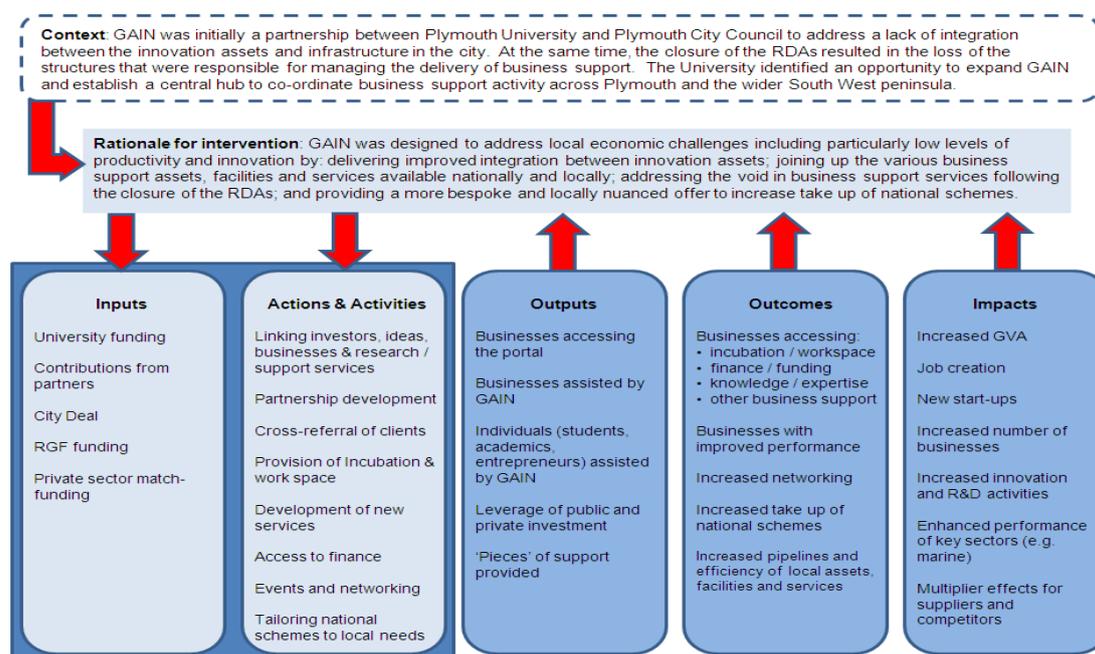
- Increasing demand for business support services and products, driving client pipelines;
- ‘Network the networks’ – ensuring that a business finds the most suitable support for their needs, irrespective of their entry point;
- Providing new and enhanced support platforms (e.g. relating to equity, crowd funding and mentoring) that cross political and geographical boundaries;
- Bring together HE, FE, private sector and public sector provision in one network; and
- Increasing demand for, and take up of, national programmes and schemes²⁷.

²⁷ Plymouth GAIN (2013), Briefing paper – The Growth Acceleration and Investment Network

GAIN logic model

Figure 17 presents a logic model for GAIN, setting out the rationale and the specific objectives for GAIN and the different outputs, outcomes and impacts that it is expected to deliver. However, there is currently a lack of quantitative targets for GAIN as a whole and a lack of monitoring and evaluation data. This is partly because of the early stage of GAIN, limited resources and the current development of governance structures, but also because of the difficulty in attributing outputs, outcomes and impacts to GAIN. These issues are explored in greater detail below.

Figure 17: Plymouth GAIN logic model



Source: Developed by ICF GHK based on the information collated as part of this research

Origins and design of GAIN

GAIN will play a key role in addressing local economic challenges

The Heart of the South West and Cornwall and the Isles of Scilly LEP areas represent a large geographic area covering more than 10% of all land in England. The area is also a significant economic area with a population of 2.2m, and an economy supporting 1.1 million jobs and GVA of £33 billion. However, the local economy faces a number of considerable economic challenges including poor connectivity, limited export activities, low earnings, and relatively high levels of employment in the public sector and low value activities. Low levels of productivity are a particular issue and GVA per head is only 62 per cent of the England average in Cornwall and the Isles of Scilly (the lowest of all LEPs) and 74 per cent in the Heart of the South West LEP area²⁸. The area also lags behind national averages in terms of innovation and knowledge-based activities.

²⁸ The LEP Network (2012), Creating Successful Local Economies: Review of Local Enterprise Partnership area economies in 2012

The data in Table 18 show that these indicators of productivity and innovation are significantly lower than the England average in both LEP areas. Consequently, the economic strategies of both LEPs are strongly focused on increasing productivity, innovation and knowledge transfer.

Table 18: Economic indicators of productivity and innovation

	GVA per head, 2009	Patents per 100,000 residents, 2007	Share of employment in knowledge economy and high and medium tech manufacturing, 2010
Cornwall and Isle of Scilly	£13,000	3.9	11.7
Heart of the South West	£15,600	3.7	15.6
England	£21,000	10.6	22.2

Source: *The LEP Network (2012), Creating Successful Local Economies: Review of Local Enterprise Partnership area economies in 2012*

The recent City Deal bid shows how Plymouth also lags behind national and regional averages across a number of economic indicators. The local economy is dominated by small and micro businesses, while a number of head offices have relocated out of the area, leaving a relatively small number of larger businesses. Furthermore, the city has struggled to develop its marine assets and capabilities into a coherent offer to appeal to business and investors, which has resulted in low levels of business growth and inward investment. One of the key aspects of the City Deal bid is to unlock strategic development locations to provide key sites and premises and create physical business environments that can link ideas, research, development and production²⁹.

Part of the rationale for GAIN was to address these local economic challenges and GAIN is closely aligned with many of the strategic priorities of the two LEPs in terms of:

- stimulating greater innovation and creating value out of knowledge and local strengths;
- driving productivity and enterprise;
- attracting new business and investment;
- providing quality work space and infrastructure to deliver growth for businesses at every stage of development; and
- enhancing skills and maximising employment opportunities.

²⁹ Plymouth City Deal (2013) Expression of interest 15.01.13

Plymouth GAIN builds on the Plymouth Science and Innovation Programme

GAIN builds on an earlier programme, the Plymouth Science and Innovation Programme (PSIP), which was founded by Plymouth University and Plymouth City Council in 2009. PSIP was established to address a lack of integration between the innovation assets and infrastructure in the city. The University and City Council had realised that while Plymouth had an economic strategy, a university and a science park, these assets had been working in relative isolation with little interaction or cross referrals.

A key trigger was the development of the Plymouth University Marine Building and Wave Tank, which opened in October 2012 and received funding from BIS and DECC. The University and City Council wanted to ensure that the marine building would be integrated with the Tamar Science Park and other university assets (i.e. expertise and equipment but also business incubation space). This was important for: ensuring local businesses were aware of and encouraged to access research facilities and expertise; providing progression routes for start-ups and businesses that outgrow their incubation space; and generally maximising the effectiveness and impact of each asset.

The development of PSIP was informed by researching examples of successful models of innovation ecosystems, such as those in Oxford and Cambridge, and particularly initiatives such as BioCity Nottingham and Sci-Tech Daresbury, which emphasised the importance of delivering a wider support ecosystem around physical space. PSIP was then established to bring together education and research institutes, investors and innovative businesses to transform and enhance the commercialisation of ideas and research in the city, focusing on marine renewables, engineering, marine science and other technologies.

Business support void left by the closure of the RDAs

'Lack of a coherent support network with access to specialist and technical advice, research and innovation facilities, coupled with limited export experience and knowledge of global markets are some of the reasons behind our failing business landscape'

Source: Plymouth City Deal Expression of Interest (2013)

Prior to the development of GAIN, it was also clear that the Regional Development Agencies (RDAs) were to be abolished, while the White Paper on Local Growth suggested an increasing focus on 'localised' policy interventions. However, a void in the co-ordination of business support activity was identified, given that LEPs in the South West were in the early stages of development. It was feared that a fragmented support landscape would impede local growth and cause local businesses to miss out on local and national business support products, including access to finance.

The university concluded that there was potential to build on PSIP and help fill the business support void left by the closure of the RDAs. The university felt it was well placed to lead on the development of GAIN due to its existing role in driving innovation and commercialisation, managing innovation assets in Plymouth and the wider South West peninsula, and its developing partnerships with national and local innovation and business infrastructure.

The development of GAIN was based on research into business needs

The University undertook research, mapping and scenario planning work to explore the opportunity of establishing a central hub to co-ordinate business support activity in the South West peninsula. Research was undertaken with local businesses, entrepreneurs, and venture capitalists / business angels across the UK and globally.

The findings suggested:

- Take up of national innovation and enterprise schemes was low amongst local businesses. For example, the take up of R&D tax credits is disproportionately low (around 7.5% of claims are from the South West compared with 34% from the South East) and evidence suggests this is largely due to a lack of awareness of available opportunities³⁰. The 2011 Evaluation of Collaborative R&D Programmes found that only 7% of recipients were located in the South West (the third lowest of all English regions)³¹.
- This is partly because of the structure of the business population in the South West peninsula, and a relatively high proportion of agricultural and tourism businesses, but also because of the lack of awareness and integration of the available innovation assets in the local area;
- short term interventions had been focused around funding opportunities rather than aligned to long term business and economic development plans³²;
- the particular issues and barriers faced in the local economy required a more bespoke and locally nuanced offer than that provided by many national schemes; and
- investors not only wanted access to finance but also ‘investment-ready’ opportunities.

These findings helped to inform the objectives of GAIN, which also anticipated the goals of Lord Heseltine’s review, *‘No Stone Unturned’*³³. GAIN was designed to address the gaps emerging in the post-RDA context but also to reflect new developments such as the Regional Growth Fund (RGF) and Growth Hubs.

Rationale for local intervention

In summary, the rationale for GAIN was based on:

- local economic challenges including particularly low levels of productivity and innovation;
- a need to provide quality workspace and infrastructure, and address the lack of integration between local innovation assets;
- an identified void in business support services following the closure of the RDAs; and
- research identifying low take up of national R&D schemes and an appetite for a more bespoke and locally nuanced offer amongst local businesses.

The current void of business support services, led Plymouth University to identify an opportunity for local business support provision to be organised and delivered through a partnership involving local authorities and the providers themselves. GAIN was introduced

³⁰ Plymouth City Deal Expression of Interest (2013)

³¹ Technology Strategy Board (2011) Evaluation of the Collaborative Research and Development Programmes

³² Plymouth City Deal Expression of Interest (2013)

³³ The Rt Hon the Lord Heseltine of Thenford CH (2012) No Stone Unturned in Pursuit of Growth

to address the above local economic issues and provide a strategic framework that could join up and integrate existing assets and increase take-up of national schemes, whilst also providing a framework for developing new products and services that meet the needs of local businesses and fill gaps in existing provision.

Strategic management and funding arrangements

As stated above, GAIN was established by Plymouth University, Plymouth City Council and the Tamar Science Park. However, additional assets and partners have been added to the partnership as the 'concept', focus and geographical coverage of GAIN has expanded over time. GAIN is now a much larger partnership, which also comprises:

- The Heart of the South West and Cornwall and Isles of Scilly LEPs;
- Local authorities across the South West peninsula;
- Formation Zones in Devon and Cornwall;
- Cornwall's Unlocking Potential programme;
- Cornwall's three innovation centres;
- the Beacon peer-to-peer business network across the South West;
- the national Social Enterprise University Enterprise Network;
- Devon and Cornwall Business Council;
- Plymouth Manufacturers Group;
- Plymouth, Cornwall and Somerset Chambers of Commerce; and
- A wide range of public and private providers of business support services.

GAIN currently has a small strategic management team comprising representation of Plymouth University, Plymouth City Council, Plymouth Chamber of Commerce, and the private sector. GAIN also has a strategic partner in Doug Richard, the entrepreneur and former Dragons' Den investor, who provides strategic advice and guidance. He has also delivered activities to promote innovation and entrepreneurship in the local economy.

However, GAIN has very much been an informal partnership to date and has been lacking a wider governance structure. The management team recognises this and is currently developing a formal partnership agreement and memorandum of understanding. This will enable organisations to more formally "join" GAIN and help shape its future.

The GAIN partnership is expected to form a company and recruit a board to shape its future objectives, direction and focus. The university has been the driving force behind the development and evolution of GAIN to date but now believes the time has come to pass over the lead role to a board, which is likely to have significant private sector representation.

GAIN is moving towards an equity-based model where all those involved in wealth creation and/or economic development will have a shareholding in GAIN. This includes LEPs, local authorities as well as big corporates, such as IBM and Imtech, who want to use GAIN as a test bed for concepts before rolling them out to other areas under a 'white-label' approach (i.e. an approach where products and services are replicated, rebranded and then introduced in other areas).

Funding GAIN

The development and delivery of GAIN has involved a relatively small budget to date. GAIN is a network and a partnership of £120 million of existing assets and facilities, which are all funded in their own right and responsible for their own performance. The core additional cost for GAIN has therefore been the time of the central GAIN project management team within Plymouth University. The University has met these costs by providing the required posts and funding the time of university staff to support the development of GAIN.

More recently, GAIN has formed an important part of the recent Plymouth bid for City Deal, and a key focus will be scaling up and embedding the GAIN model. GAIN has also recently created a full-time programme and project development role to help drive the project forwards at this important stage of its development. GAIN is also involved in the Plymouth University & Western Morning News Growth Fund (PWGF) projects, which award RGF funds to successful applicants. However, there has been no management time associated with the RGF funding and Plymouth University, Plymouth City Council and Torbay Council have all contributed to the management costs.

A variety of funding sources are therefore involved in funding GAIN partners, or developing and delivering the GAIN model. These sources include:

- **Plymouth University:** The management and development of GAIN has largely been funded by Plymouth University to date, including support from the Higher Education Funding Council for England (HEFCE).
- **European Regional Development Fund:** The European Regional Development Fund (ERDF) provides funding for a number of the key partners in GAIN (supported by match funding from local partners). However, these projects are funded in their own right and this funding is not directly associated with the delivery of GAIN. For example:
 - **Formation Zones** at Plymouth University were funded by ERDF, the South West Regional Development Agency (SWRDA) and the Higher Education Innovation Fund (HEIF). It is not possible to provide specific costs as the formation zones were created as part of the £36 million Roland Levinsky Building;
 - **Cornwall's Unlocking Potential programme** targeted at local SMEs, which received ERDF funding of £2 million and HEFCE funding of £0.9 million;
 - **Cornwall's three innovation centres** at Pool, Tremough and Truro, which have been led by Cornwall Council and supported by Cornwall

Development Company (CDC) with £29 million of investment provided by the ERDF;

- The £19 million **Marine Building** at Plymouth University, which is a key focus for GAIN and has recently opened after securing funding through the ERDF, as well as DECC, BIS, SWRDA, HEFCE and Plymouth University. The Marine Building also contains the £2 million **Marine Innovation Centre (MARIC)** funded by ERDF, Plymouth University and industry; and
 - Other projects such as **Outset Plymouth, Outset Cornwall** and **Outset Torbay**, which support local people to develop self-employment opportunities, and are funded by the ERDF and local authorities.
- **Regional Growth Fund:** Plymouth University and the Western Morning News have secured £3.9 million of RGF funding to create an investment pot for the **Plymouth University & Western Morning News Growth Fund 2 (PWGF2)**. These funds will be awarded to regional businesses that are successful in applying for funds to unlock local opportunities to create growth and jobs. This extends PWGF1, which awarded £1 million of RGF funding to 20 successful applicants.
 - **City Deal:** GAIN forms a key part of the successful Plymouth bid for City Deal. While the full details of the City Deal are still to be agreed, it will be supported by contributions from local City Deal partners³⁴. Funds will be used to underwrite the business support and start up systems, prepare land and assets, and develop an export programme. A revolving investment fund has been established including access to Plymouth City Council core funding equivalent to £20 million, with additional funds from public land asset exploitation, and counterpart private contributions. The University equity fund, University pre-incubation and incubation space will also be utilised and contributions with partner local authorities will be agreed³⁵.

In July 2013, it was confirmed that a **RGF bid from City Deal partners** had been successful. The £4 million investment will be used to provide grants to high growth businesses and to enhance and embed the GAIN offer. The latest fund will build on the previous RGF investments but will be aimed at businesses with larger projects across the Cornwall and Isles of Scilly and Heart of the South West LEP areas.

GAIN delivery model

As stated above, the GAIN delivery model is still at a relatively early stage. Initial work focused on integrating the innovation infrastructure and knowledge transfer activities in Plymouth and developing linkages between Plymouth University (and its on-site assets: e.g. Formation Zone, the Marine Building and Marine Innovation Centre) and the Tamar Science Park, working in association with the economic development team at Plymouth

³⁴ City Deal partners comprise: Plymouth City Council, Heart of the South West LEP, Plymouth University, Devon County Council, Cornwall Council, Cornwall & Isles of Scilly LEP, West Devon Borough Council, South Hams District Council, Torbay Council, City College Plymouth, South West Marine Energy Park (SWMEP), Plymouth Chamber of Commerce and Industry, Babcock Marine, Princess Yachts and Plymouth Marine Laboratories.

³⁵ Plymouth City Deal Expression of Interest (2013)

City Council. Once this core partnership had been established, the geographical focus of GAIN expanded and GAIN looked to integrate the University infrastructure in the wider South West peninsula (i.e. the three innovation centres in Cornwall and the Unlocking Potential programme).

Current activities are focused on identifying and partnering other local and national provision of business support services, including access to finance, incubation and workspace, mentoring, advice and guidance, training, etc. Furthermore, the GAIN network of services, assets and facilities continues to grow and aims to create a critical mass and a coherent ecosystem of support for local businesses. The next stage is to continue to develop the partnership and the services available through GAIN and encourage greater cross-referrals, while also utilising the City Deal to test and develop different aspects of the GAIN model.

Target groups

GAIN is targeted at a number of different groups. It continues to target innovation and knowledge-based businesses and opportunities, but also aims to provide access to more generic business support services and support the growth of all local businesses.

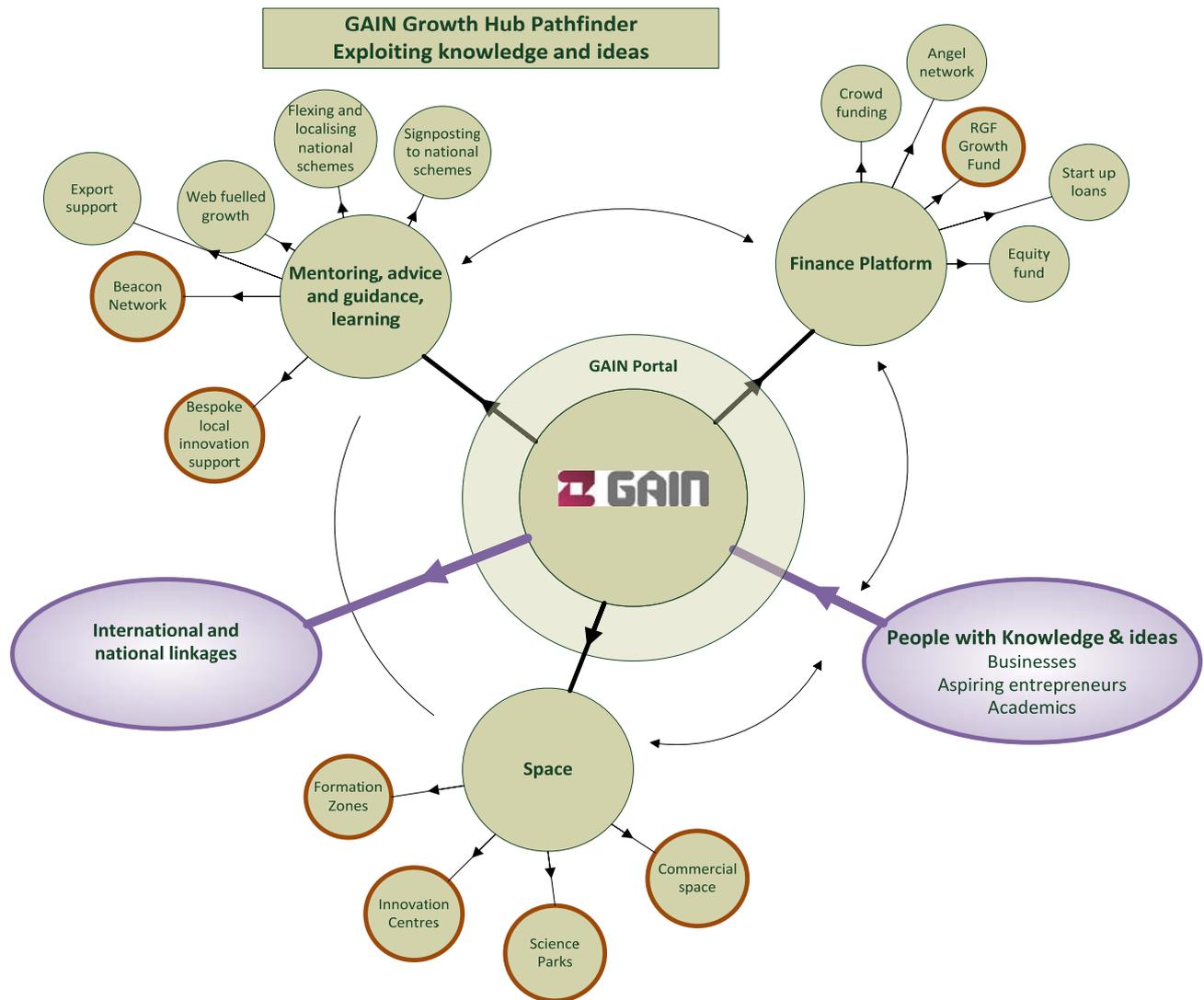
GAIN aims to provide a range of benefits for these different groups:

- **Businesses**, by providing exposure, raising awareness and facilitating access to new growth opportunities, finance and investment, university knowledge and research facilities and equipment, and potential partners and suppliers;
- **Entrepreneurs** (including students with ideas to start a business and academics looking for help in commercialising their research), by offering protection and intellectual property commercialisation services as well as technical facilities and know-how, incubation and start-up support, networking opportunities and access to finance;
- **Investors**, by reducing risk and maximising growth by identifying and bringing together the best businesses, intelligence and investment-ready ideas and propositions; and
- **Research and business support facilities and services**, by raising awareness and providing a joined-up, holistic and accessible offer to the above groups.

Core activities

This section describes the main activities of GAIN. The linkages to the different types of support are illustrated below in Figure 19:

Figure 19: GAIN model



GAIN Portal

The GAIN portal sits at the heart of GAIN and provides virtual access via www.gaininbusiness.com. The portal offers a single gateway for businesses, investors, students or academics that wish to develop a business idea, grow their business, or identify investment opportunities. It has undergone considerable development to date and provides a valuable gateway to a wide range of support (both local and national) that is available to businesses. The portal already provides the means by which businesses can access a flexible range of support covering physical space, finance mentoring and advice.

However, the portal remains a work in progress and is not yet being actively marketed. The intention is for the portal to be much more than a directory of business support services. GAIN plans to use the City Deal to create a more comprehensive, sophisticated

and user-friendly portal. The aim is to develop a pool of business community intelligence and a range of bespoke content providing relevant advice and guidance to four key cohorts of: students with business ideas; academics looking to commercialise their research; businesses wanting to grow; and investors looking for investment opportunities. It will classify the business resources that are required for each cohort and at each stage of their development from initial idea to successful, growing business. Personalised access will enable the portal and the information it contains to be tailored specifically to the type of business, its sector and location (e.g. providing news and information in context or deciphering policy decisions to explain how they are relevant for specific areas or sectors).

The portal will also evolve into a unique ‘virtual’ and ‘neutral’ market place and mentoring service, in which a business or individual can identify and access the support that is most appropriate to them. The aim is to use the portal to help increase take up of business support initiatives and programmes, both national and local, as well as providing bespoke, locally relevant referrals to support commercialisation and knowledge transfer. Access to finance is a particular focus of the portal and a crowd-funding platform is being developed.

Physical space

The initial focus of GAIN has involved joining up the different local providers of incubation space and commercial workspace and developing progression routes for different stages of development. As stated above, this was to address an identified lack of integration between the local innovation assets and infrastructure, and significant opportunities to provide a more holistic, integrated service to support growing businesses across the South West peninsula.

This is currently the most advanced aspect of the GAIN offer and high quality physical space is now available for businesses at all stages, while the various sites also act as a space where the wider business community can access advice and guidance. GAIN has also received the UK Business Incubation (UKBI) kite mark for its pre-incubation and innovation spaces. The UKBI praised GAIN’s ecosystem approach and the speed with which it has been created.

GAIN physical ‘hubs’



Tamar Science Park: a joint venture between Plymouth University and Plymouth City Council, providing 116 units in a range of sizes, a range of meeting rooms and conferencing suites. On-site services include: mentor support, an investor readiness service to present a compelling business case to investors; a business development fund; and legal, HR, accounts and ICT services. It is targeted at medical, science, technology and knowledge-based businesses.

Formation Zones: workspace locations at Plymouth University and the Cornwall Innovation Centres, which aim to nurture and develop new, high-value businesses. Support services include: testing of ideas; linkages to specialist networks, expertise and innovation opportunities; producing prototypes; business guidance; assistance with business plans; improving business skills; networking events and meeting rooms.

Marine Innovation Centre (MARIC): a £2 million project based at the University’s new Marine Building which provides access to the facilities and expertise of the University’s Marine Institute, the Peninsula Research Institute for Marine Renewable Energy (PRIMaRE) and specialist partners including



Princess Yachts International, Manuplas, Supacat and IT Power. It aims to increase flows of knowledge and expertise between HE and SMEs to increase competitiveness, profitability, innovation and investment opportunities. Services include: start-up support; access to specialist facilities, skills and training; new product development, innovation and knowledge transfer; and access to investors.



Pool Innovation Centre: a £12 million building providing high quality, flexible managed workspace and business support for start-ups and existing businesses with high productivity, ambition and growth potential. The Centre provides space for 49 offices of between 25m² and 90m²; a shared workspace area to support the incubation of early stage businesses; meeting rooms and a conference facility.

Tremough Innovation Centre: a £13 million business acceleration facility targeted at businesses from the creative, media, eco and environmental science sectors. It can accommodate up to 70 businesses and offers flexible floorspace, meeting rooms and a conference facility, break-out spaces and a shared workspace area.



Health & Wellbeing Innovation Centre: a £13 million business acceleration facility based adjacent to Treliske Hospital in Truro that targets knowledge-based businesses within sectors that support health and wellbeing. It provides: a large conference area and rentable floorspace of approximately 2,000m², which can accommodate up to 70 enterprises; access to tailored business support services; meeting facilities; informal networking areas; and good ICT connections. All three innovation centres are managed by Plymouth University on behalf of Cornwall Council.



Finance platform

Previous research, at local and national levels, has identified a lack of finance as one of the key barriers to business growth and the commercialisation of ideas and innovation. The GAIN portal already lists and signposts a range of different EU, national and local sources of grant funding, venture capital programmes, innovation vouchers, loan schemes, peer-to-peer lenders and other potential sources of investment.

These sources include the PWGF, which awards funds to applicants who can demonstrate how they will unlock local opportunities to create growth and jobs. The PWGF is delivered by the GAIN team within Plymouth University and both initiatives aim to simulate enterprise and growth in local jobs and incomes. The PWGF will also be supplemented by the recent £4 million investment fund, also awarded by the RGF, which will be aimed at larger projects across the South West peninsula.

GAIN has also been developing a range of finance products and partnerships. Projects include:

- the development of crowd-funding platforms through GAIN's partnership with Crowdfunder, including the social enterprise Peoplefund.it. GAIN is also developing other crowd-funding products to support key sectors such as marine, health and creative industries;

- developing Seed Enterprise Investment Scheme (SEIS) products with a number of specialist finance companies such as Platform Black; working with LEPs to develop a concept for peer-to-peer lending, a localised bank and other financial instruments, including property and equity bonds, which could support GAIN and enable it to fund its own developments of new innovation and business support facilities.

GAIN plans to continue to develop the finance platform in order to provide a comprehensive investment market place for businesses looking for investment and for investors looking for opportunities to invest. GAIN is already developing sectorally focused programmes with the MARIC and the South West Marine Energy Park and is developing the portal to provide access to a number of different sources of funding including:

- Plymouth City Council's 'Building for Jobs' investment fund, created as part of the City's Plan for Jobs;
- RGF awards to local businesses; and
- other sub-regional investment funds such as the Superfast Cornwall Fund (a £2 million fund to accelerate business growth through superfast broadband) and the Torbay Business Growth Fund (a £1 million fund to help create jobs and boost business growth).

Mentoring, advice and guidance, learning

GAIN has also started to signpost, and develop partnerships with, providers of other business support services including:

- national initiatives and organisations such as GrowthAccelerator, Manufacturing Advisory Service (MAS), Technology Strategy Board (TSB) and UK Trade & Investment (UKTI);
- regional initiatives and organisations such as the Beacon cross-sector network and Peninsula Enterprise; and
- sub-regional and local initiatives and organisations such as Export Cornwall (which helps businesses in Cornwall to exploit export opportunities) and Devon Delivers (part of Devon County Council's inward investment service).

The GAIN portal already covers providers of generic business support, awards and competitions, conference and meeting rooms, training, recruitment, specialist research facilities and expertise, and tender and sourcing opportunities. GAIN intends to continue to expand and develop new partnerships across these themes, as well as continuing to develop more tailored support where possible.

Examples of local business support schemes

The **Unlocking Potential programme** in Cornwall was developed by GAIN to fill an identified gap in provision. It uses inspirational events, peer-to-peer workshops and business focused research to enable SMEs in Cornwall and the Isles of Scilly to define and reach their goals and ultimately 'unlock' their potential. It also creates groups of business leaders with common goals, called Learning Collectives, where businesses can get up-to-date knowledge, test ideas and share best practice in a peer-to-peer learning environment.

The GAIN portal also links to the **Plymouth University Enterprise Solutions Gateway**, which provides access to a range of **enterprise support schemes** (www1.plymouth.ac.uk/enterprisesolutions) relating to business start-ups, funding, knowledge transfer, recruitment and careers, skills and training.

As stated above, research of local businesses identified low take up of national schemes, particularly relating to R&D. While the portal aims to provide a clear route of access to the local and national schemes that exist, the research evidence suggests that the particular barriers faced by many businesses in this area are such that a more bespoke and locally nuanced offer is required. GAIN has the potential to develop systems of cross-referral with national bodies, such as the MAS and GrowthAccelerator, and locally based agencies and support services. It also intends use funding from the City Deal to work more proactively with government departments in the design and delivery of business support services to make existing national programmes 'work smarter' at a local level and to provide:

- streamlined access to national (including 'GrowthAccelerator' and TSB programmes) and EU business growth programmes;
- local flexing (and localising) of national schemes to meet local needs; and
- local influence over the focus of the next round of EU Structural Funds in the City Deal area, including ensuring local synergy between ERDF and ESF.

By devolving, pooling and aligning budgets and resources (e.g. EU, TSB, MAS and supply chain initiatives), increasing the profile and local relevance of business support services, and ensuring programmes and schemes are fit for purpose, GAIN hopes to encourage an increase in the take up of national schemes to the levels seen elsewhere in England.

GAIN is also proposing to use the City Deal area to test the development of new business support and innovation interventions, and the potential to scale up innovative provision that has already been developed in Cornwall (through the ERDF and HEFCE funded Enterprise Programme), Somerset (through the Interreg-funded Open Innovation project), and through GAIN's partnership with the School for Start Ups "web fuelled" programme.

Other activities

GAIN is also developing opportunities for local businesses to establish new international partnerships and collaborations, target new markets and increase exports. Potential partners have been identified and GAIN is now looking to establish a number of international agreements. For example, GAIN is currently working up an agreement to link local businesses in the South West with businesses in Italy.

Other specific GAIN activities have included:

- **'GAIN Investor Days'** where GAIN arranged for local businesses to present investment opportunities to a number of large and specialist venture capital firms through a 'Dragon's Den' style approach. Similar events have also been run for social enterprises;
- Working with the Technology Strategy Board (TSB), GrowthAccelerator and the School for Start-ups to provide a series of free **'TSB Entrepreneurial Skills Workshops'**. The workshops are designed to provide the core essentials and in-depth knowledge needed for businesses to be successful;
- an **'Entrepreneurial Institution Challenge Event'** hosted by entrepreneur Doug Richard. This involved a day of seminars at Plymouth University on how academic institutions can become more enterprising. The free two-hour workshops were open to managers, researchers, educators and students from HE providers in the local area; and
- a series of **'Beacon Pathfinder Forum' events**, where existing Beacon companies host events to share the 'secrets of their success' with smaller, aspiring businesses. These events were established by GAIN working with the Beacon business network, Cornwall innovation centres and Unlocking Potential programme.

The GAIN management team reports that the City Deal process is playing a key role in facilitating positive partnership and collaborative working across the peninsula and there is an appetite amongst partners for this to continue. The GAIN network has plans to develop a **shared space (both physical and virtual)**, where a multi-disciplinary and multi-organisational team can work on the delivery of the City Deal and wider initiatives. This will also provide the space where conversations with government, co-design and development can occur and demonstrate a commitment to new ways of working. This will also enable GAIN to take forward some of the discussions it has had around 'smart cities' in a Plymouth context. It will also reflect the new governance arrangements that are being developed to deliver the City Deal

Client journey

There is no standard client journey for GAIN. It is a network of assets, facilities and service providers and, given the fact that the GAIN portal is not yet being marketed, clients are currently more likely to access GAIN via one of the partner organisations rather than through the portal. These clients should be introduced to the network and the other partners and relevant services available, based on their support needs. This highlights the importance of encouraging cross-referrals between the GAIN partners if GAIN is to successfully deliver against its aims and objectives. Cross-referrals are currently being encouraged by making partners aware of the mutual benefits of providing all clients with the same quality of service, regardless of their entry point.

Interviews with beneficiaries have provided examples of businesses being cross-referred through GAIN, although there is not sufficient evidence to assess the extent to which this is occurring across GAIN as a whole. In the future, the enhanced GAIN portal will be marketed more widely and will play a greater role in attracting and signposting businesses, entrepreneurs, students and investors.

Effectiveness and impact to date

It is difficult to assess the full impact of GAIN, given both the early stage of its development and the fact that it is largely a network of existing assets, facilities and services. GAIN partners would be delivering many of these services anyway and we cannot attribute many of these impacts to GAIN without a detailed survey of partners and beneficiaries to understand deadweight and the extent to which activities would have been undertaken in the absence of GAIN.

The interviews undertaken to inform this case study have also revealed that some beneficiary businesses are not aware that they have been supported by GAIN or even aware of GAIN at all, which suggests that attributing impacts to GAIN is likely to be particularly challenging. However, GAIN argues that the network is more about the providers and adding value to what they do, most of which is hidden from the client. Therefore, the lack of awareness of GAIN amongst clients is not an issue as long as they are getting what they need in terms of products, services, advice or guidance.

This is very different from other models with a single portal and phone number. GAIN provides multiple access points, through the providers, whilst creating a critical mass of local businesses and providers from a large, predominately rural geography, which also increases the visibility of local activities for other areas and potential investors and creates deal flow. All those involved in the GAIN model are working together in a common cause, which aims to support people with ideas, businesses that want to grow and investors.

However, GAIN is more than a network of existing provision and also aims to fill gaps in provision. Some of the assets and services within the network have been developed by GAIN and would not have happened in the absence of GAIN. MARIC and the Unlocking Potential programme are examples of assets and services that would not have happened without GAIN.

Performance measurement procedures

GAIN does not currently have sufficient resource to monitor and measure performance centrally, although it does monitor the businesses it engages with and has undertaken qualitative case studies to explore some of the less tangible benefits of engagement. The individual GAIN partners collect data on their own outputs and track their own performance. As stated above, many of these services and assets have received ERDF funding and are subject to the standard ERDF evaluation and monitoring systems. Similarly, the PWGF1 and PWGF2 programmes are subject to RGF audit and evaluation requirements. These GAIN partners will therefore have good quality data on outputs, outcomes and impacts of individual assets and services, some of which are directly attributable to GAIN.

However, the problem with attributing impact to existing assets and services will be the calculation of deadweight, in order to assess the net impacts of GAIN. Deadweight will inevitably be high, given that partners were delivering many of these services before GAIN was created. For services and assets operating over a period of time, it is likely to be possible to use data from earlier years to calculate benchmark estimates of deadweight against which to assess the impact of GAIN.

Economic benefits

Much of the work undertaken by GAIN to date has focused on setting up the model and portal, and identifying and recruiting partners to establish a critical mass of providers

across the network. The next stage will develop the model and portal and focus on exploiting the opportunities.

GAIN builds on existing assets and creates linkages between them to provide a holistic, joined-up business support offer and a number of early wins have shown its approach to be effective. It offers support for enterprise of all sizes and stages of development that have growth aspirations – especially SMEs, which are critical to the future prosperity of the South West peninsula.

GAIN develops new assets and services to fill gaps in provision. MARIC and the Unlocking Potential programme are both GAIN products, funded by ERDF. There are also plans for two more MARIC offices (in Cornwall and Torbay), which will link with the main site in Plymouth. Other examples include the GAIN ‘Investor Day’ events have also delivered impacts with two local businesses securing investment, while GAIN also helped to develop the ‘TSB Entrepreneurial Skills Workshops’ which are being delivered across the country.

GAIN creates rapid routes to markets. For example, a partnership with Santander enabled GAIN to rapidly place 20 internships in local SMEs. The retention rates for the interns after the sponsored period are high and new ideas and talent has been introduced in the host businesses who would not otherwise have considered taking on a graduate.

GAIN’s reach has been expanding rapidly over time. Through its partners, GAIN is already involved with more than 500 businesses, employing more than 32,000 staff and turning over in excess of £2.7 billion³⁶. It has drawn together more than £150 million of partner activities and assets³⁷ to create a critical mass of expertise and facilities. Other projects are continuously being added to the GAIN model, such as the University’s recent partnership with intellectual property developers Frontier IP. The GAIN portal also provides **a clear route of access to national schemes** but aims to build on this and **tailor national schemes and approaches to the local audience**, develop new interventions and potentially scale up innovative local provision in order to increase participation.

GAIN is also playing an important role in **leveraging additional funding** for the South West peninsula. For example, GAIN has played a key role in the successful City Deal bid, and has recently received £4m in funding from the RGF to help develop the GAIN model and to distribute to local businesses through awards. GAIN was also part of the earlier successful RGF bids for PWGF1 (£1m) and PWGF2 (£3.9m). The bid for PWGF2 describes a key objective as strengthening the local innovation and enterprise ecosystem and adding value to GAIN, and also states that GAIN will be the principal channel for applicants to access the PWGF2 fund and that applicants will be fully briefed on the services provided by GAIN and assisted in taking up them up where possible.

Evidence of benefits

The Tamar Science Park currently hosts more than 80 resident businesses, which employ around 650 people and turn-over £95 million in medical, science, technology and knowledge-based activities. As stated above, it is not possible (based on current evidence) to determine the extent to which GAIN has contributed to these figures, although

³⁶ Gain website, <http://www.gaininbusiness.com/article/265/About-Us>, accessed 15th April 2013

³⁷ Plymouth University, The regional perspective – GAIN (<http://www1.plymouth.ac.uk/location/campusdevelopments/marinebuilding/Pages/The-regional-perspective-%E2%80%93-GAIN.aspx>), accessed 15th April 2013

stakeholders have reported that the improved linkages between the science park and the University and its incubation space have generated greater flows of businesses and ideas as a result of GAIN.

The Cornwall innovation centres also form a key part of the GAIN offer in Cornwall, and have a key focus on driving business growth and job creation. As above, it is not possible (based on current evidence) to determine the full, attributable impact of GAIN on these centres, although all have opened within the last three years and are reported to be exceeding expectations. For example:

- *Pool Innovation Centre*: opened in 2010 and was the first of the three Cornwall innovation centres. According to the latest data, average client growth remains strong at 40% and the number of client businesses has increased to 42. Eighty new jobs have now been created amongst these clients, increasing the total number of employees to 200.
- *Tremough Innovation Centre*: opened in 2012 and is home to 37 client businesses who have seen job numbers increase to 105.5, following the creation of 21 new jobs.
- *Health and Wellbeing Innovation Centre*: opened in March 2013 and has already attracted seven client businesses.

However, **there are some specific examples of attributable impacts that beneficiaries have suggested would not have occurred in the absence of GAIN** including:

- *SW Computers Ltd*: established in 2002, this small business had two employees when it relocated to the Pool Innovation Centre in 2010. It provides a range of IT services to SMEs and has recently developed 'Cloud Computing' solutions, provided through two secure data centres at Tamar Science Park, after being introduced to this facility through GAIN. SW Computers has also benefited from the superfast broadband at the innovation centre and has used GAIN to access IT and business support and financial guidance that led to successful bids for match-funded grants. As a result, SW Computers has created four new jobs and set up a sister company, Cloud Cover Hosting Ltd.
- *Zammerchat*: a creative start-up business with two employees, who write and design creative content for businesses. It was initially a home-based business but moved to Tremough Innovation Centre in 2011, from where it has doubled in size as a result of the support received through the innovation centre and the GAIN network. Its client base has increased significantly as a result of networking at the centre and at events, while it has also used GAIN to access entrepreneurial advice and guidance.
- Another key component of GAIN is the PWGF, which helps GAIN to encourage innovation and enterprise. The first round (PWGF1) allocated £1m to local businesses through 20 awards. This funding helped to unlock £1.5m of private match-funding from the beneficiary businesses and the initiative exceeded its target of creating 50 jobs, with 71 jobs already created by November 2012 and a further 15 jobs expected to be added.
- The second round (PWGF2) is allocating a further £3.9m of investment to local businesses. The overall programme is expected to benefit around 75 businesses

across the South West peninsula, creating almost 500 jobs (directly creating 323 jobs amongst the businesses and indirectly creating a further 166 jobs in the supply chain).

Examples of awards include:

- A £58,000 investment in packaging manufacturer *Advanced Pallet Systems*, matched by £60,000 from the business, to purchase CNC routers and a large beam saw which has helped them to increase production, develop new products, enter new markets and attract new, larger contracts. This had created six new jobs with further jobs expected.
- A £43,000 investment in Alpha Initiatives, who produce an online vocabulary learning application for schools and colleges. The award was used to recruit high quality software development skills and purchase large volumes of translated material (the raw material necessary to drive the application), which rapidly accelerated business growth and enabled the business to create three new full-time jobs.

Stakeholder and partner views

Whilst recognising that the project is in its early days of implementation, a number of benefits were identified during the consultations with stakeholder and partner organisations of the different activities of the GAIN project:

- **Partnership development:** GAIN has worked well in terms of facilitating partnership development, particularly as part of the City Deal bidding process. For example, City Deal has resulted in Plymouth University working more closely with the two LEPs, resulting in more meaningful partnership working around shared priorities of stimulating private sector growth to rebalance the local economy.
- **Strength of the linkages between the University, incubation and knowledge-based workspace:** GAIN has delivered strong improvements to the linkages between innovation workspace and the immediate support services available. Stakeholders suggested it now needs to concentrate on developing other partnerships more broadly to offer a more complete suite of products and services.
- **Improvements over other 'portal-based' interventions:** other business network portals are like phone directories in that they simply list all available business support services. However, GAIN is trying to develop a more comprehensive and sophisticated portal that provides bespoke content for the different cohorts (students, academics, businesses and investors), and a virtual market place where these cohorts can identify and access the most appropriate support available.
- **Provision of a locally-tailored offer:** the main differentiator compared to previous and existing national provision is that GAIN offers a unique way of bringing together a range of locally based opportunities and resources. This would have been unlikely to have occurred without a major local champion, such as the University.
- **Leveraging private and public sector funding:** GAIN has played a key role in leveraging funds through the successful bids for City Deal and RGF bids, which have also attracted, and will continue to attract, significant private match-funding.

“The support provided by the Marine Innovation Centre will help businesses which have the potential to grow to overcome some of the common barriers to innovation, including a lack of access to information, specialist skills, new technologies and also access to key influencers in the industry. The Marine Innovation Centre is an excellent example of GAIN in action – accelerating business growth by creating intelligent connections to world-class knowledge, technologies, people and infrastructure.” (GAIN partner)

End user views

This box highlights some of the views about GAIN from business end users.

Selection of end user views

The Gain web portal: The website is currently regarded as being fit for purpose, while the future plans for the portal are expected to provide more valuable and tailored information for businesses. As stated above, the website is not yet being marketed widely to businesses and some of those interviewed in this study were not aware of the website.

‘I think this partnership has been very effective, but it is still in the early stages. The feedback from businesses has been very positive regarding the portal. Additionally, businesses have access to equipment, machinery and academic assets where normally they wouldn’t. GAIN opens the door to R&D functions, particularly around marine and engineering’. (Industry organisation)

Ability to help unlock potential funding: one of the key benefits identified by end users was the potential for GAIN to ‘unlock potential funding’. One consultee stated:

‘GAIN has provided businesses with access to the RGF. The innovation centres are working particularly well in Cornwall and I would like to see these rolled out elsewhere. Feedback from businesses regarding the innovation centres is very positive. They offer a chance to share best practice between businesses. GAIN provides a place for businesses to access support, while bringing together higher education, private and public sector in one place’. (GAIN partner, financial services)

Businesses in GAIN physical hubs are most engaged: Businesses located in innovation centres and science parks were most likely to be aware of GAIN and have used the network to gain access to business support services. These hubs also provide additional benefits such as networking opportunities, free seminars/training and direct access to advice and guidance.

‘innovation centres have been set up to act as incubators for new start-ups providing office space and on-site support to assist entrepreneurs. Having access to the centre has accelerated our growth.’ (tenant of Tremough Innovation Centre)

Raising awareness of the GAIN project has been a key challenge: one of the biggest challenges identified has been raising awareness of the GAIN initiative amongst businesses. There is a perception that GAIN is just another government initiative and it has been a challenge to explain that it is run by the private sector and the University. This challenge is being addressed through increased marketing and co-branding of GAIN with partner activities, such as those being delivered by the Tamar Science Park.

Key success factors: GAIN is delivering against a range of outcomes, including:

Selection of end user views

increased access to incubation and workspace; increased access to funding; increased access to intellectual knowledge and expertise; increased networking with other businesses; increased access to the tools to support growth and development.

Potential for replicating the model in other locations: As GAIN continues to gather momentum, it offers real potential to deliver job creation, wealth creation and economic development that could be replicated in other areas.

'I'd like to think that businesses in other areas could benefit in the same way as businesses in Devon and Cornwall. The same challenges that face Devon and Cornwall will apply to other areas of the country, so the solutions will apply as well'.

Challenges

Funding

GAIN has struggled to secure sufficient funding, with the University taking on the responsibility for funding the initial development and management of GAIN, the portal and establishing the network of partners. More recently, GAIN has secured funding from the RGF and the proposals under the City Deal, which will enable GAIN to continue to grow and develop its products and services and take it on to the next level.

However, it is difficult to know how GAIN could have achieved greater initial investment, particularly during a time of funding cuts and the demise of the RDAs and before the LEPs were able to provide support. Furthermore, whilst the length of development time could have been shortened if sufficient investment was realised at the outset, GAIN has probably been strengthened from growing more organically over time. For example, by starting as a small initiative and growing slowly, GAIN has never been seen as a new 'Business Link'.

Emerging lessons and messages

Emerging key success factors:

- **Creating a critical mass** – all of the assets and services in the network exist in their own right but GAIN joins them together to create a critical mass, whilst improving access for businesses, investors, entrepreneurs and students/researchers and improving visibility and generating additional demand for the services provided.
- **Simplification of business support activities and services** – this is particularly important in Cornwall, where ERDF funding has created an abundance of projects and initiatives providing business support. Many of these initiatives are now involved in GAIN, which simplifies access by providing a single gateway for businesses.
- **Neutrality of the model** – the model should be neutral to provide inclusivity and independence. It should be led by economic development rather than political aims so that it can provide independent, consistent and long term support to businesses, without being affected by political changes and agendas.

Emerging key success factors:

- **Use of physical and virtual components** – The network requires both physical and virtual components in order to deliver a range of services to tenants and other users of physical hubs, as well as other local businesses. This is especially important when providing access to services over a large geographical area like the South West.
- **Importance of a holistic offer** – providing support from conception of ideas to ongoing business support so that growing concepts and businesses can always move to the next step.
- **The GAIN portal**, which will continue to evolve over time and become an advanced tool for businesses and investors. It will be unique for a web-based tool to express the journey of entrepreneurship and business growth and allocate specific needs and solutions to individual events in that journey. It will also provide a valuable tool by providing information that is tailored to the specific location and type of business.
- **Collaboration with the private sector in the design and implementation stage** – rather than imposing a policy and then contracting the private sector to deliver it, which helps to make the GAIN portal and network more accessible and user-friendly for businesses.
- **Alignment with national policy and LEP priorities** – to ensure public sector support.
- **Quality of partners and referral processes** – to ensure clients receive consistent, quality services and are made aware of all relevant opportunities

Opportunities for transferring the GAIN model to other areas

There are significant opportunities to transfer the GAIN model to other areas and create other networks of local innovation assets and business support services. The GAIN model is replicable and scalable and could potentially create a substantial network of networks linked together nationally. It also leverages fees and income so can be sustainable regardless of political or economic development changes.

The key aspect of GAIN in policy terms is its ability to leverage the local knowledge base. GAIN was included in the Wilson Review³⁸ of opportunities for greater collaboration between universities and business as an example of a university playing a key role in enabling economic growth within a regional economy. It has also been submitted to the Witty Review's recent call for evidence³⁹. The Witty Review is currently exploring opportunities for universities to support growth by working with LEPs to drive economic growth.

³⁸ Professor Sir Tim Wilson DL (2012) A Review of Business-University Collaboration

³⁹ Sir Andrew Witty (2013) Review of universities and growth: call for evidence

GAIN has been particularly relevant for Plymouth and the wider South West peninsula because of: low levels of knowledge-based and R&D activities and latent demand for innovation services; a lack of quality workspace and integration of innovation assets in the local economy; and a lack of inward investment and the need to present a critical mass of opportunities to attract investors.

However, GAIN is not specific to the South West and there are likely to be opportunities to replicate the GAIN portal, the GAIN network, and how the partners and portal work together in other areas. The GAIN model is also flexible in that it does not need to be led by any particular entity. In the South West, GAIN has been led by a university but it could be led by a LEP or another organisation elsewhere.

GAIN has also received funding from the RGF and City Deal, which has supported its early development. However, while the RGF funding has provided an additional source of funding for local businesses and the City Deal has provided a means for GAIN to develop and scale-up different aspects of the model, this funding is not considered essential to the on-going delivery of GAIN. Other areas could introduce GAIN without access to this funding and could also benefit indirectly from being able to introduce products and services that have already been tried and tested within GAIN.

More broadly, there are no apparent reasons why it would not be possible to replicate GAIN in other areas, although other areas are likely to experience similar issues in terms of:

- funding the costs of initial development and on-going management;
- overcoming fears of GAIN competing with existing providers and networks and recruiting sufficient partners to create a critical mass; and
- current funding rules that encourage competition rather than collaboration between providers.

GAIN has been fortunate in being able to collect and present evidence of impacts through the monitoring and evaluation systems of the individual services and assets of GAIN partners, despite the fact that it is difficult to attribute many of these impacts to GAIN. Other areas might be able to address some of the potential funding issues by ensuring that monitoring and evaluation frameworks are in place prior to launch so that impacts can be captured, assessed and used to make the case for future funding.

There are also opportunities to modify the model for each local area or transfer individual components of the model, such as: the portal, which has involved a lot of thinking and development time and could be white-labelled and introduced elsewhere; and the Formation Zones, which follow an approach that will work in other areas and could be franchised. Plymouth GAIN is already in discussions with a number of organisations about introducing similar schemes in Oxford, the Tees Valley, Coventry and Warwickshire. There has also been international interest from Boston and IBM about the potential for the GAIN model to be used in the United States.

Future of GAIN

GAIN continues to grow and develop rapidly in terms of the services it provides and its geographical coverage. It is expected to continue to expand, facilitated by the City Deal, and plans to involve an increasing number of partners including: other universities,

colleges, business parks, incubation space and providers of business support services. The portal will also be developed to become a trusted 'neutral' space for businesses and those looking for advice and support, as well as a 'virtual marketplace', with the aim of increasing take up of business support initiatives and programmes, both national and local, as well as providing bespoke, locally relevant referrals to support commercialisation and knowledge-transfer.

The GAIN initiative lends itself to be a pathfinder, allowing the partnership to continually refine and develop the model. However, it needs to increase both investment and business engagement still further, creating a business-led model for it to become the preferred employer solution for small and micro businesses. To build on the early successes, the process of continuing to scale up GAIN and draw on both private sector investment and government support through greater pooling and aligning of budgets and resources (e.g. EU, TSB, MAS, supply chain initiatives) to be channelled through GAIN will be key in order to give it critical mass and legitimacy for supporting growth.

As GAIN continues to grow, the University plans to step back and let the private sector take control. Eventually it is suggested that GAIN could become self-sustaining by earning income from: finance providers, who could pay a percentage on deals for businesses involved in GAIN; sponsorship of the portal; and co-financing from the business sector should they go on to experience significant future growth.

Areas for consideration to inform future development

Stakeholders and partners have identified a number of areas where the future development of GAIN could potentially deliver additional impact and added value, including:

- **Avoiding the potential for support being offered on a self-selecting basis:** a key challenge facing portals/business support brokerage models is the question about the extent to which the support may be offered on a self-selecting basis (depending on who makes contact with GAIN or partners). Some stakeholders suggested that there could be a fast and credible prioritisation of support and grants being offered (a triage system) depending on business progress and circumstances.
- **Whether GAIN should develop a brokerage model:** some stakeholders would still like to see GAIN develop a brokerage model due to concerns about the quantity and quality of cross-referrals from different providers. These stakeholders argue that a brokerage function would add greater value and ensure all clients receive an independent assessment of their needs, and are directed to the most appropriate solution available.
- **Developing performance measurement systems:** it was also suggested that GAIN may benefit from developing a performance measurement system that can accommodate the range of different support bodies. This is made more complicated considering that there are a multiplicity of resources and assets in GAIN (e.g. ERDF and RGF funded projects) and a multiplicity of performance and accountability measures.
- **Project governance:** more broadly, GAIN needs to continue to formalise its systems of governance in order to effectively engage the range of partners, let them know what they are aiming for and how they can contribute. This is something that GAIN is

currently addressing and the City Deal may help because it offers another incentive for people to get involved.

New Anglia Business Information Portal

Summary of key lessons and policy messages

The New Anglia Business Information Portal is a site developed to provide advice and support to businesses across Suffolk and Norfolk. In particular, it acts as a signpost for businesses and business support organisations, directing local business leaders to relevant sources of information, advice and management support services.

Economic and strategic rationale

- Represented a response to the changing policy landscape for business support (including the abolishment of Business Link East) and falling levels of business support take-up.
- Business Information Portal was identified as one of a number of potential policy interventions that could be implemented in relation to business and sector support.
- The overarching objectives of the portal are: to act as a signpost to promote local and national business support services to existing and new businesses across the Norfolk and Suffolk area; establish the portal as the preferred website for business support information to the Norfolk and Suffolk business community and; to increase the take up of business support services.

Effectiveness and benefits delivered

- The relatively low visitor numbers and registered users (compared to the indicative targets), in combination with the cost of developing and hosting the portal, would probably suggest that the portal currently does not represent value for money. However, to the extent that the portal can show that it has an impact on just a small percentage of businesses that would not otherwise have received support, then this simple value for money assessment could quickly change.
- With the exception of the collection of data in relation to visitors and registered users, it would appear that the policy intervention currently lacks a rigorous monitoring and evaluation framework. This in turn will make it difficult to assess the effectiveness and impact of the portal in the medium term. In order to assess the impact and effectiveness of this policy intervention, it will be crucial to measure the take up of support and services signposted on the portal, as well as determine to what extent this support would have been accessed in the absence of the portal.

Key lessons learnt

- The most critical factor in successfully implementing a portal such as the New Anglia Business Information Portal is to ensure that you have relevant, high quality and up to date content. This in turn is dependent on having dedicated human resources to add to/update the information on the portal as well as a knowledgeable and well represented steering group. This also has implications in terms of transferability and

Summary of key lessons and policy messages

the spatial level at which it is implemented.

- The experience of New Anglia suggests that the development of a portal is an iterative process. Indeed, since its introduction in April 2012, the New Anglia Business Information Portal has undergone two major re-launches in order to better meet the needs and requirements of the local business population.
- The portal's ability to match business support services and events to end users' business details and preferences has the potential of supporting a more tailored service. Although it is unlikely to replace the need for direct support and face-to-face interaction.
- Represents a single point for directing local businesses to both public and private business support and services.

Policy messages

- Whilst it has never been the intention of the LEP for the portal to be 'sold' or transferred to other LEPs, it is entirely feasible to replicate it elsewhere should a need for a similar business information portal be identified.
- In terms of assessing the impact and effectiveness of this policy intervention, monitoring the take up of support and services signposted on the portal will be absolutely critical.
- The New Anglia Business Information Portal does not operate in isolation; it is part of wider LEP strategy for business support (and growth) and the success of the portal is very much dependent on the availability of public and private business support locally and nationally.
- An alternative to this model would be to have a national portal that includes the local business support and service offer.

What is the New Anglia Business Information Portal?

Overview

The New Anglia Business Information Portal is a site developed to provide advice and support to businesses across Suffolk and Norfolk. In particular, it acts as a signpost for businesses and business support organisations, directing local business leaders to relevant sources of information, advice and management support services.

The portal is being delivered by the New Anglia Local Enterprise Partnership (LEP) with the support of a Business Support Advisory Group, formed of representatives from the LEP, local business federations and Government representatives (from local councils and BIS). The Advisory Group was set up following the launch of the portal to ensure that it is fit for purpose and that it drives the future development of the business community.

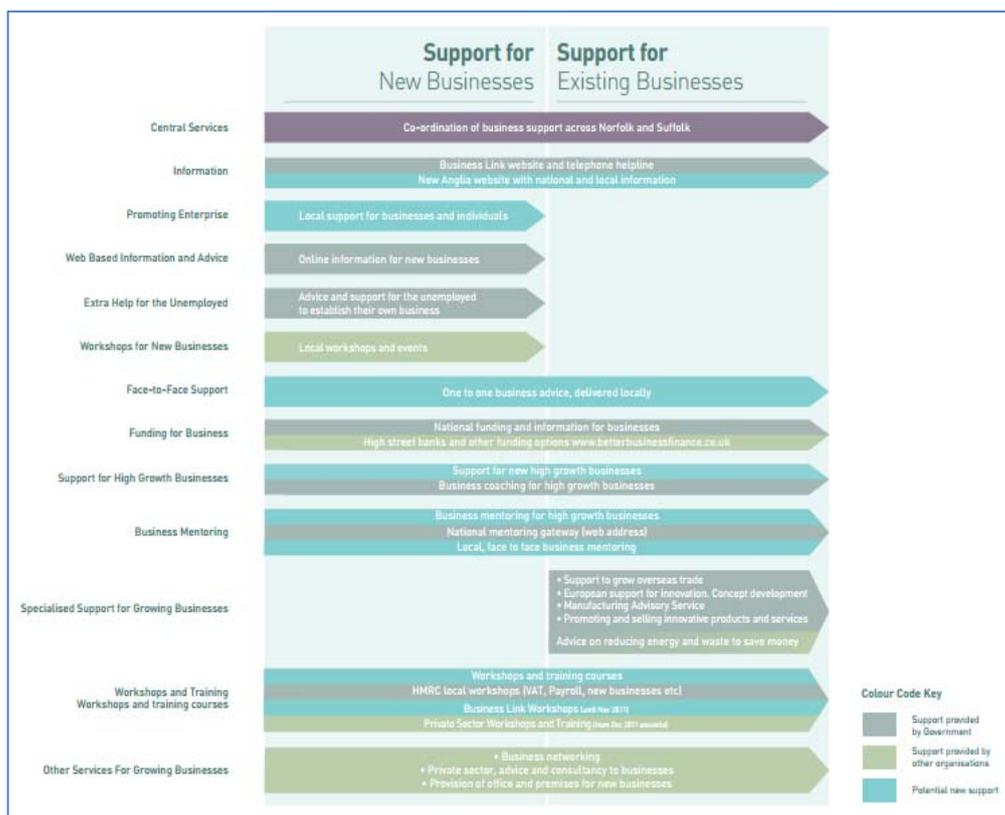
The portal was initially launched in April 2012 and tested over the ensuing 6 month period. Following feedback from the Advisory Group and the LEP Board, further developments and enhancements were made between December 2012 and March 2013 prior to launch.

Origins and rationale for the policy intervention

The origins of the portal go back to 2010 when a Business Support Alliance Working Group was set up by the economic development partnership Shaping Norfolk's Future. This Working Group was tasked to consider the changing policy landscape for business support (including the anticipated abolishment of Business Link East) and how Norfolk might respond to these changes. This involved extensive discussions and meetings with a range of businesses and business support organisations. Through these discussions, it was identified that there was a need for a single point of access for business support and that there would be an information gap with the loss of Business Link.

Notably, with some of the members on the Working Group later joining the New Anglia LEP, many of the ideas and priorities of the Working Group were brought forward in the LEP Business Plan for Business Support. In conjunction with the development of the business plan, the LEP also produced a business support map which highlighted areas of potential new support, including a New Anglia website with national and local information (see Figure 20).

Figure 20: New Anglia business support map



Source: New Anglia LEP

Clearly, the development of the business information portal does not represent a 'new' or 'unique' policy intervention. Indeed, there are several other business information portals around, but the New Anglia Business Information Portal was one of the first to be delivered by a LEP (West of England LEP launched its Business Navigator in June 2011). Subsequently, Greater Birmingham and Solihull LEP and Leeds City Region LEP have launched business information portals, whilst Coast to Capital LEP and West Sussex County Council have jointly commissioned the development of a web based 'portal' that

will provide local businesses with an online directory of business support (from both national and local providers).

Whilst none of these other portals have been fully evaluated, they do not appear to have all the functionality of the New Anglia Business Information Portal, including the possibility to tailor the information shown to individual users, based on the information they provide at registration.

There is also a degree of overlap with the former Business Link website, which now forms part of the GOV.UK website. This is, however, not to duplicate the national service offer but to provide a single point for directing local businesses to both public and private business support and services (regardless of whether such support is offered nationally or locally).

Notably, a single point of access is considered by New Anglia LEP and its partners to be particularly important in terms of overcoming some of the issues relating to the increasingly fragmented market for business support and services. Indeed, rather than creating a parallel portal that only includes local business support and services, the New Anglia Business Information Portal seeks to link with the national offer and thus provide a more comprehensive portal. An alternative to this model would be to have a national portal that includes the local business support and service offer.

Policy context

Priority sectors and key issues to be addressed by the New Anglia LEP are set out in the recently published Sector Growth Strategy⁴⁰. The strategy, which sits alongside the New Anglia Business Plan, provides a high level framework for sector growth and describes some of the key challenges facing the area.

The Business Information Portal is included in the Strategy, and specifically the way in which the LEP will be supporting the work of the Portal to address identified issues through:

- start-up workshops and business mentoring;
- access to finance,
- coaching for growth sessions and chargeable workshops on various topics;
- specialist advice for manufacturers and exports;
- the provision of incubation space; and networking and collaboration opportunities.

The Strategy and Business Plan both underline the importance of sector development in creating jobs and growth and is committed to working with key sector groups to support their aspirations.

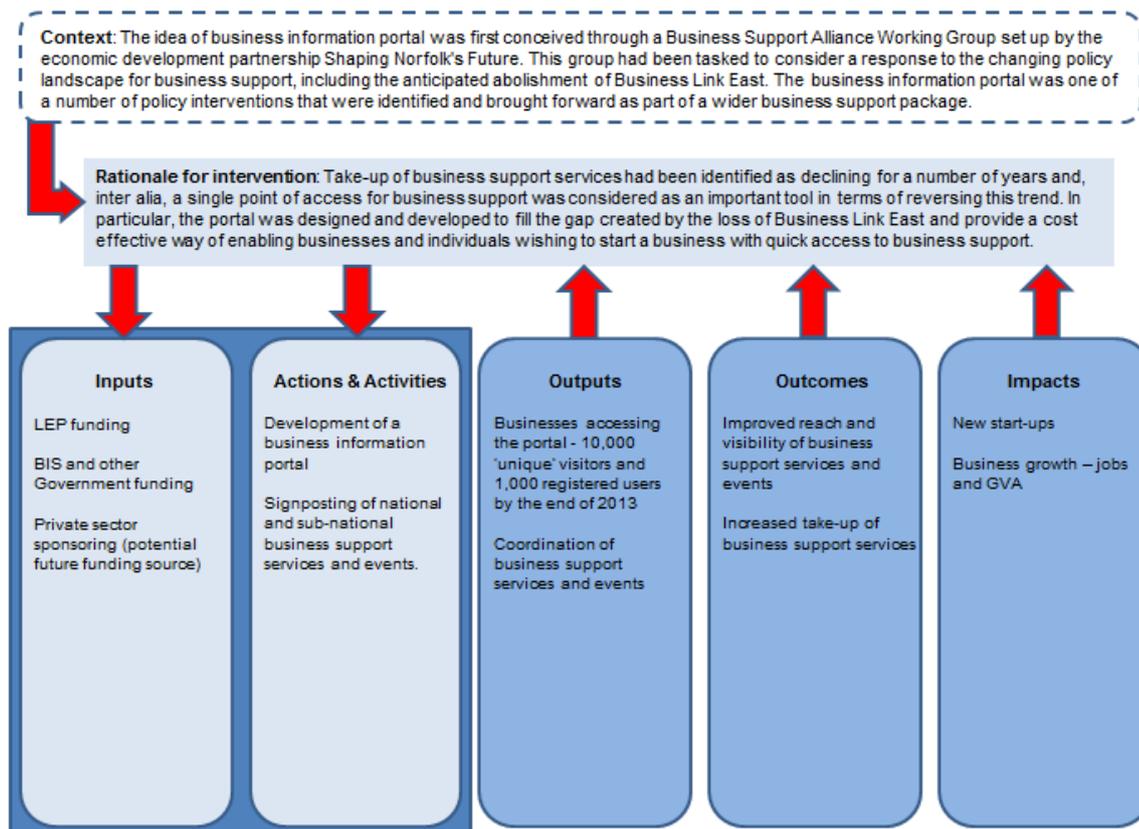
⁴⁰ New Anglia LEP Sector Growth Strategy, February 2013

<http://www.newanglia.co.uk/Assets/Files/Content/New%20Anglia%20Sector%20Growth%20Report.pdf>

Intervention logic

By way of summary, Figure 21 presents a logic model for the New Anglia Business Information Portal, outlining the rationale and the specific objectives for the portal and its target outcomes and impacts.

Figure 21: New Anglia Business Information Portal – intervention logic



Source: Developed by ICF GHK based on the information collated as part of this research.

Design of the policy intervention

Aims and objectives

The overarching objective of the portal is to act as a signpost to promote local and national business support services to existing and new businesses across the Norfolk and Suffolk area. The LEP also aims to establish the portal as the preferred website for business support information to the Norfolk and Suffolk business community and to increase the take up of business support services.

More broadly, the objective of the LEP is to remove the barriers preventing businesses from growing and to create more private sector jobs (recognising that this project is part of a broad spectrum of services to achieve this).

Policy design

The portal was developed with input and support from a number of organisations, including Norfolk and Suffolk Chambers of Commerce, the East Anglia Federation of Small Businesses, enterprise agencies, local authorities and many others.

The Business Support Alliance Working Group was tasked to oversee the development of the portal and included a number of individuals who have an understanding of the needs of local businesses and how such a site could be developed.

The LEP also sought the expertise of Business Link East ICT specialists for Norfolk and Suffolk to specify the design of the portal. Together with the Business Link East ICT specialists and the Working Group, a brief for the website was developed and put out for tender, specifying: the background; the general objectives; the technical requirements; and, the desired design and structure.

According to the brief, the general objectives of the portal are to:

- promote and support business services to small and medium enterprises;
- promote business services to both existing enterprises and new businesses, and ensure that New Anglia's partners are aware of the support available; and
- increase the take up of business support services.

More specifically, the new website was set to achieve these general objectives by enabling it to:

- establish itself as the preferred website for business support information to the Norfolk and Suffolk business community;
- signpost visitors to business information sites;
- use site navigation to direct visitors to pages relevant to their sector type (up to five sectors can be selected by the user);
- promote the availability of services to its relevant client/target database using the website and integrated online media/marketing;
- achieve strong search engine presence for defined key search terms, through search engine optimisation of the website and other internet marketing activity; and
- incorporate links to the LEP and third party platforms to enable booking of services on-line.

Eight companies were invited to tender, all from the New Anglia area. Of these, six companies tendered for the work, and two declined, as they considered the project to be too complex or too big for them to undertake. Following a selection process, Computer Service Centre, who are based in Norwich, were appointed to develop the portal. The portal took six months to develop, due to complexities of how it operates (essentially, it is not a website, but a database that uses a WordPress⁴¹ front end to access it).

Unlike many other websites and portals, a comprehensive database lies behind the New Anglia Business Information Portal, containing hundreds of different types of business support services and events provided by local and national providers. It is important to

⁴¹ WordPress is a free and open source blogging tool and a content management system (CMS).

note though that the portal is not a marketing and promotion tool for businesses to promote and sell their services to other businesses.

According to the New Anglia LEP and other stakeholders, this is because the business to business marketplace is relatively well established and, as such, there are already many routes to market for B2B suppliers, including events, the media, direct mail and so on. Nevertheless, the portal still provides advice on where to go to find suppliers of some types of B2B services, including signposting to established organisations and business directories, such as those operated by the Chambers of Commerce and the Trusted Business service operated by Norfolk County Council Trading Standards service (in partnership with Suffolk County Council).

Instead, the primary focus of the portal is to direct local business leaders to relevant sources of information, advice and management support services. In this case, such services are distinguished from B2B services by being addressed to SME owners and managers as support for them and their management activity. B2B activity is viewed instead as supporting business operations and processes.

To ensure that only relevant and good quality business support is included on the portal, simple criteria have been developed, which clearly show what services can be added to the portal. In particular, individuals and organisations need to provide evidence of at least one of the following certifications/qualifications appropriate to the services being offered in order to be added to the portal:

- Professional Qualifications in Accountancy
- Members of the Association of Certified Bookkeepers
- Professional Qualifications from the Chartered Management Institute (CMI)
- NVQ level 4 in business advice
- SFEDI Accreditation for Business Support
- Membership of the Institute of Consulting, or any other International Council for Management Consulting Institutes (ICMCI) member body
- Investors in People Assessor
- Association for Coaching membership
- CMI Certificate or Diploma in Business Support
- ILM level 5 certificate in Business Support

Review and implementation of this list of criteria is under the control of the Business Support Advisory Group. Clearly, the implementation of these simple criteria has not been without its complications as it precludes some individuals and organisations from being included on the portal. Nevertheless, it is still being considered by the LEP as important in ensuring that the services and events on the portal are relevant and of good quality.

Notably, it may be useful to work with BIS in terms of verifying these certifications/qualifications in order to ensure their appropriateness.

Moreover, the LEP are working with Norfolk and Suffolk Trading Standards to provide B2B connections through the portal by linking it with the 'Trusted Trader' and 'Trusted Business' schemes, so that individuals and businesses who do not meet these criteria can still be accessed via the portal. Importantly, this would allow access to a more diverse range of business support and services, which are quality assured by a feedback system rather than certifications/qualifications.

For users, the portal filters the business support services and events according to the details provided by the user at registration⁴², which means that only relevant services and events are displayed. The following categories are used to filter and tailor the information displayed to the users:

- Location – The site uses ward level information and links it back to the postcode that the registered user provide when registering, so it shows the information relevant to that location.
- Categories – Each entry on the database is linked to a category, so it appears in the results relevant to the questions chosen when using the site. For example, business coaching will only be displayed if the user asks for information on business coaches.
- Sectors – The system sorts out all the business support and displays only what is relevant to the sector(s) that the registered user operates in.
- Size of Business – Some support is targeted at businesses of a certain size. For example, grants aimed at micro businesses will only appear if the registered business is a micro business.
- Legal Status – Some support is only available to particular types of organisation; for example a limited company, so the system filters the results based on the registered user's legal status.
- Business Age – On top of all the above filters, the portal uses the age of the business to determine whether the business should be categorised as a new business or an established business.

Each time a business uses the portal it matches the business details and preferences with the database and creates a webpage with results that are relevant to that business. As a consequence, the results presented will be different for each user and will change as new information is added to the portal.

The business details and preferences entered by businesses are also used to generate a tailored weekly or monthly newsletter for users. The newsletter contains a general introduction from the LEP, together with all the new services and events added to the

⁴² Users can change their details at any time after registration.

portal since the last newsletter and that are relevant to the registered user. As with the results on the website, the newsletter will be different for each registered user. Importantly, the newsletter provides a proactive mechanism whereby registered users do not have to browse the portal on a regular basis to stay on top of any relevant and new services and events.

In the absence of a full survey of business users, it is difficult to assess the extent to which this proactive mechanism is seen as effective by the users. One of the users consulted for this study, however, mentioned that he had registered two different businesses on the portal and ended up with very similar results for both. This suggests that the effectiveness of this mechanism is as much about how the information is entered onto the portal as the details and preferences entered and/or selected by the users.

Links to national intervention and use of best practice

The portal provides both local and national information on business support and advice. So, whilst the portal includes information provided on the national GOV.UK website and relating to the Growth Accelerator, Manufacturing Advisory Service and UKTI, it also importantly provides signposting to local services and events, including from private organisations.

Moreover, to the extent that it directs businesses to the national website that would not otherwise have visited the GOV.UK site, it can also be considered to add visitors to the national website. The LEP and the Advisory Group also work closely with national providers, such as the Growth Accelerator, Manufacturing Advisory Service and UKTI, to ensure that they are represented accurately on the portal and to encourage additional 'traffic' to these initiatives.

The consultations have also highlighted the importance of face-to-face contact in terms of business support and advice, so in that respect the portal plays an important role (particularly after the loss of Business Link) by providing a single point of access for information regarding local (and national) public and private provision of business support services and events.

Policy implementation

Key activities and client journey

The portal was originally launched in April 2012, but, following some improvements to the site, the portal was re-launched in March 2013. Such improvements included:

- the introduction of a log-in system enabling content to be tailored to relevant areas of interest;
- improved navigation through two simplified 'navigational' questions;
- the introduction of a weekly or monthly email for users, with content relevant to their business; and
- the possibility to host Webinars under events section (virtual events and training courses).

Essentially, the portal captures 'known' provision of business supports services and events in New Anglia and categorises this provision into a range of variables. This is then matched to the end user needs, based on the details submitted by the users at the time of registration. The portal also proactively flags support to end users through the weekly or monthly newsletter, which is tailored specifically to the end user.

To date, no analysis has been carried out to determine the type of business support services and events that end users are viewing on the portal, although this is something that the LEP is keen to examine in the near future. Similarly, the LEP is investigating opportunities to monitor which site(s) that end users visit immediately after the portal in order to determine whether the portal offers effective signposting. Clearly, such information will be critical in terms of proving the impact and effectiveness of the business information portal in terms of signposting and take-up of business support and services.

The LEP is also in the process of launching a survey of registered users (and providers) in order to assess the relevance and usefulness of the portal, as well as identify potential areas for improvement. The results of the survey are expected to be available in June 2013.

Evaluation and monitoring systems

A key measure of success for any website or portal is the number of visitors and/or end users. Consequently, the LEP consistently monitors and evaluates the use on the site, across a number of standards metrics such as visitor numbers, registered users, dwell time, sites viewed, etc.

Whilst such metrics are useful in terms of getting a headline view of businesses' awareness and usage of the site, it does not provide any meaningful information in terms of how and/or to what extent the business information portal may assist in fulfilling wider LEP objectives or outcomes (for example, does it generate usage of business support). The proposed survey of registered users (and providers) may, however, be able to provide some indicative findings to support the assessment of such outcomes.

The targets set by the LEP Board generally relate to headline outputs, including 10,000 'unique' visitors to the site by summer 2013 (as set out in the New Anglia LEP Operating Plan for 2013/14-2014/15). It is also understood that the LEP Board have recently set a targeted of 1,000 registered users by the end of 2013 (the number of registered users as of April 2013 was 371 – see Figure 20).

Delivery and funding

The LEP (and the LEP Board) have ultimate responsibility for the portal but its development is guided by a Business Support Advisory Group, which is currently made up of the following organisations:

- New Anglia Local Enterprise Partnership
- The Barefoot Entrepreneur
- Suffolk Chamber of Commerce
- Norfolk County Council
- Women's Employment, Enterprise and Training Unit (WEETU) -new representative is being sought

- Federation of Small Businesses
- Forest Heath District Council
- Commend Business Development
- The Department for Business Innovation and Skills
- The Princes Trust
- The Suffolk Enterprise Agency - MENTA
- The Norfolk Enterprise Agency - NWES
- W-L-P Consulting

The advisory group was set up in April 2012 to guide the development of the portal and make decisions regarding changes. It meets every couple of months and, based on their feedback and comments, a number of important changes to the portal were made between December 2012 and March 2013 (as outlined above). Notably, the work with the portal is by no means considered to be complete and, as such, the Business Support Advisory Group will continue to play an important role in guiding the development of the portal and how it serves the local economy and the forthcoming growth strategy.

The day-to-day management of the portal is the responsibility of a permanent Website Officer and the Funding and Projects Manager. The Website Officer manages the content and update of the site. The role of the dedicated Website Officer has been highlighted by many consultees as being crucial to the portal in terms of ensuring that the content on the site is 'fresh' and relevant.

The portal has been funded through the LEP, which in turn has received funding from BIS, including the LEP Start Up Fund. The cost of the scoping, build and development of the portal is estimated at just under £30,000.

Further to the development costs, the estimated operating cost for the portal in 2013/14 is £30,000, including 50% of the web officer costs and running costs of £15,000 (as set out in the New Anglia LEP Operating Plan 2013/14-2014/15).

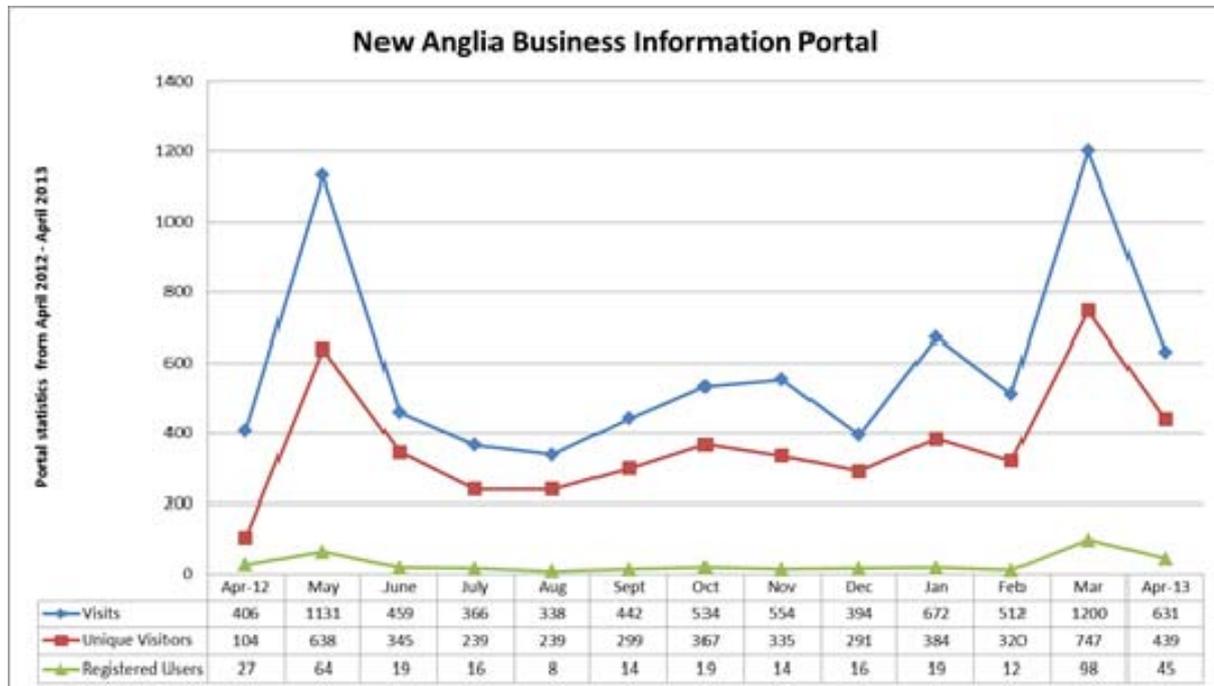
The LEP have received criticism from some commentators regarding the costs of developing and operating the portal, although the LEP argues that the cost of the portal reflects the complexity of the system and the significant amount of data processing required each time a user asks the portal for information. For example, for every single result provided by the portal, the system checks against a number of criteria, including location (via postcode), size of business, legal status, and sector. It does this against each and every business service, to generate tailored results. As a result, the LEP are using a high powered server, which costs more – a simple web server would not be capable of doing this type of data processing.

Policy effectiveness

Benefits

Figure 22 below illustrates the use of the portal from April 2012 to April 2013.

Figure 22: New Anglia Business Information Portal: key statistics



Source: New Anglia LEP

It is clear from the figure above that there have been two very notable spikes of activity; one shortly after the original launch and one during the re-launch in March 2013. Overall, there have been in excess of 7,600 visits to the portal (of which around two-thirds represent ‘unique’ visitors) and approaching 400 registered users since the launch in April 2012. This means that there is still some distance to go to achieve the targets of 10,000 ‘unique’ visitors and 1,000 registered users by the end of 2013. However, there are some encouraging signs. Indeed, the number of visitors and registered users since the re-launch in March 2013 has been higher than any other month before (barring May 2012).

Whilst no evaluation has been undertaken to determine the wider outcomes of the portal, it has been noted by a couple of the consultees that a portal of this kind is mainly beneficial for businesses that have fairly limited experience and knowledge of business support organisations (e.g. those that are not members of a Chamber of Commerce and/or that are not using the Enterprise Agencies). As such, it is important not to rely on partners such as the Chambers of Commerce for ‘referrals’. Instead, focus needs to be on remote and isolated businesses that would not otherwise come in contact with business support service providers. Along with the general marketing of the portal, the New Anglia LEP has therefore adopted a ‘geographical approach’ to marketing and promoting the portal (and other business support services).

The approach was piloted in the market town of Diss and involved face-to-face meetings with local businesses and other key stakeholders. It is expected that similar meetings will be set up in other localities over the next few months. An important benefit of this

approach is that it is easy to assess its effectiveness in terms of registered users (who can be identified using the post code submitted at registration). The economic geography of the New Anglia LEP, with many remote and rural businesses, also merits the use of such an approach.

End user views

Based on the feedback from a handful of end users, the benefits and impact of the portal to date has been limited (partly reflecting the fact that the portal has been used rather sparingly), although many users support the principle of having a single point of access for signposting of business support services and events. Some of the criticism regarding the portal is that it is too complex (“over engineered”) and that it is too difficult to navigate.

There have also been some suggestions that there is too much information on the portal, which sometimes makes the portal overwhelming for end users (“the sheer volume of data can sometimes be confusing”), and that the log in system is putting businesses off from using it (as a result of the information that needs to be completed at registration and the need for a password to access the information).

There have also been suggestions that a more interactive service would be beneficial. Notably, the New Anglia LEP and the Advisory Group are currently in the process of responding to some of these concerns, for example, by simplifying the navigation of the site and allowing users to access the portal without logging in.

Value for money

One of the main criticisms of the portal has been the relatively high cost of developing and hosting it. This, together with relatively low visitor numbers and registered users, (compared to the indicative targets), would probably suggest that the portal currently does not represent value for money. However, to the extent that the portal can show that it has an impact on just a small percentage of businesses that would not otherwise have received support, then this simple value for money assessment could quickly change. As such, it would be prudent to wait until a full evaluation of the portal has been undertaken before making any firm judgements on whether the portal represents value for money or not.

Future of the policy intervention

The future of the portal is essentially determined by the LEP Board, but there has been no indication that the portal has an ‘end date’. Equally, there has been no suggestion that the portal as it stands at the moment is the finished product. The LEP will continue to work with the Business Support Advisory Group and other partners to update and develop the portal so that it serves the needs of Norfolk and Suffolk businesses and complements the national provision in this area.

Lessons learned and policy messages

Key successes or drivers of success for the activity

The most critical factor for the success of any portal is ensuring that you have relevant, high quality and up to date content. Importantly in this regard, the New Anglia Business Information Portal has a dedicated Website Officer that is responsible for the day-to-day maintenance of the site, including managing and updating the content on the site.

Another success factor includes the way in which the entries of organisations, business services, and events are categorised. This, together with the free registration of users,

enables the portal to match the business support services and events to the end users' business details and preferences. As such, the information presented on the portal is different for each user and will change as new information is added to the portal. This is also one of the features that make the New Anglia Business Information Portal stand out from other similar portals.

The criteria applied for inclusion of business support and services also represent an important feature of the portal, which supports the quality assurance of the provision being signposted. Although it is important to note that particular certifications/qualifications do not necessarily ensure quality of service. Therefore, it is important to ensure that other mechanisms are in place to quality assure the provision being signposted, e.g. through the Advisory Group and/or through collaboration with BIS.

Other important factors include the fact that it represents a single point for directing local businesses to business services and events and that it provides signposting and information on both public and private business support. Indeed, following the loss of Business Link and an increasingly fragmented market for business support, small businesses and businesses support organisations, including the FSB and Chambers of Commerce, identified that there was a need to provide businesses with a route to high quality business support, as some were finding it difficult to find.

Opportunities for transferability

Whilst it has never been the intention of the LEP for the portal to be 'sold' or transferred to other LEPs, it is entirely feasible to replicate it elsewhere should a need for a similar business information portal be identified. Indeed, the New Anglia LEP has already been in discussion with a number of other LEPs. Moreover, as noted above, a number of other LEPs have already set up their own business information portals and perhaps in due course there may be some merit in getting the LEPs and existing/ prospective users together to share their experiences and knowledge on this subject.

In terms of determining the opportunities for transferability, it is also important to note that the New Anglia Business Information Portal does not operate in isolation. It is part of wider LEP strategy for business support (and growth) and the success of the portal is very much dependent on the availability of public and private business support locally and nationally.

There is also a need to ensure that the business services and events being promoted on the portal are right for the local context and business environment in which they are being implemented. A certain degree of knowledge of the local context and business environment is therefore required in order to make the portal relevant and effective.

West of England LEP Charter Mark

Summary of key lessons and policy messages

The Employability Charter Mark was launched in October 2012 and is led by the Skills Group of the WoE Local Enterprise Partnership (LEP). The Charter Mark has just reached the end of the initial pilot phase of the programme, with phase two of the roll out set for September 2013. The main aim of the Charter Mark is to promote greater communication and stronger links between business and education providers to enable business to have more of an influence on providers' curricula.

Economic and strategic rationale

- Poor employability skills of young people is the primary skills issue identified by employers;
- Changing recruitment practices of employers i.e. fewer graduates and more school/college leavers, including apprentices;
- Looming issue of replacement skills demand as older skilled people leave the labour market.

Effectiveness and benefits delivered

- Local response to identified major skills issue building on local institutional dynamics e.g. competition between schools;
- Greater focus, emphasis, consistency of approach and quality in delivering employability skills to young people;
- Opportunity for employers to become involved with providers at different levels and intensities;
- Partnership development across different types of providers and employers;
- Enhanced, holistic and more effective employability skills offer;
- Sharing of good practice across providers;
- Greater employer involvement in the curriculum.

Key lessons learnt

- Need a flexible approach in developing the initiative across different types of providers;
- Need to raise the profile and success of Charter Mark to both providers and employers so it is not seen as 'another initiative'. Can only be done by demonstrating its relevance and added value.

Policy messages

- Based on identified employer need;

Summary of key lessons and policy messages

- Build on local skills drivers: employers' skill needs, issues and dynamics; competition between providers;
- Employers (not employer representatives) and providers were both involved in its development;
- Involvement of a special school demonstrates its inclusivity.

What is the West of England Employability Charter Mark?

The West of England Employability Charter Mark is a business-defined and assessed quality mark for the city-region, which any educational institution (school, college or university) can sign up to. It represents a continuing commitment to embed employability skills within the curriculum to ensure that their students are work-ready.

The West of England (WoE) Employability Charter Mark (Charter Mark) was launched in October 2012 and is led by the Skills Group of the WoE Local Enterprise Partnership (LEP), which includes representatives from business, Further and Higher Education, training organisations, local authorities, Job Centre Plus and Learning Partnership West. The Charter Mark has just reached the end of the initial pilot phase of the programme, with phase two of the roll out set for September 2013.

The main aim of the Charter Mark is to promote greater communication and stronger links between business and education providers. This will enable business to have more of an influence on providers' curricula, ultimately leading to increased harmonisation of the skills required by businesses in the area and those taught by education providers.

If this aim is realised, it should benefit the main beneficiaries involved in the Charter Mark as follows:

- **Business:** will benefit from more productive and work-ready employees, as well the opportunity to shape the education of young people in the region. Direct participation in the Charter Mark also provides the opportunity for employers to identify new talent and raise the profile of their organisation.
- **Education providers:** benefit from partnerships with local businesses to provide extra-curricular activities, such as work-experience, competitions, interview practice etc. They also benefit from stronger links with other providers, which enable the dissemination of best practice.
- **Young people:** benefit from improved employability and work experience opportunities, which will improve their prospects for employment at the end of their education.

Origins and rationale for the Charter Mark

'Vision' of sustainable growth and jobs for the West of England

The 'Vision' for the WoE LEP is for sustainable economic growth and the creation of substantial numbers of new private sector jobs⁴³. This Vision has five elements:

- Supporting growth of key sectors:
 - Creative and media;
 - Advanced engineering;
 - Micro-electronics and silicon design;
 - Environmental technologies and marine renewables;
 - Tourism.
- Driving innovation and creativity and the development of new technologies, products and services (using existing assets/strengths e.g. Spark, the Bristol and Bath Science Park) to retain and increase competitiveness in the high-growth sectors (including supply chains) and develop new markets.
- People – skilling workforce to meet needs of our businesses now in the future. Retaining existing talent (and transferring skills across sectors in response to redundancies), raising aspirations and marketing talent to inward investors.
- Business – assisting business start-up and growth.
- Place – make the WoE highly attractive to inward investors and existing companies, by securing improved transport, environmental and broadband infrastructure that business needs; providing access to a range of employment land and premises; facilitate new housing and community structure. Maintain outstanding physical environment and high quality of life to retain and attract highly skilled workers and graduates.

There are also a clear set of measures to determine success:

- 95,000 new jobs by 2030;
- 3.4% annual growth by 2020;
- Over £1 billion of private sector investment over the next 3 years;
- A well-motivated workforce with the skills that business needs;
- The foundations for a long-term sustainable economy

⁴³ As identified in the West of England Local Enterprise Business Plan 2011-13
<http://www.westofenglandlep.co.uk/assets/files/LEP%20Business%20Plan%202019.12.11%20revised.pdf>

A clear rationale for local intervention

The 11 sector groups of the LEP were asked what they considered to be the main barriers to delivering the vision of 'sustainable growth and jobs for the West of England'. A key conclusion from this consultation was that employers considered the employability skills of young people as a major barrier to employment and economic growth in the region. This is supported by the findings from a range of local (Business West), regional (FSB) and national surveys (British Chambers, CBI), which have cited the lack of work-readiness of potential recruits as a major barrier to employment and growth.

Sub regional data from the most recent national Employer Skills Survey (ESS) in Table 23 shows the proportion of employers in the West of England perceiving young people to be well prepared or poorly prepared for work. Over one third of employers (36%) believed that 16 year old school leavers were poorly and very poorly prepared for work which is similar to the national average (37%).

Whilst the proportion declined as young people got older by age of 18, between one quarter and one fifth of employers felt that school or college leavers were poorly prepared or worse. This is at a time when the unemployment rate for young people in the West of England is 20% (compared to 21% across England as a whole).

Table 23: Views of employers on the work-preparedness of young people

	16 yr olds from school	17-18 yr olds from school	17-18 yr olds from college	HE / University leavers
Very well prepared	10%	10%	12%	25%
Well prepared	46%	61%	61%	59%
Poorly prepared	28%	17%	18%	9%
Very poorly prepared	8%	6%	2%	1%
Varies too much to say	6%	3%	7%	3%
Don't know	2%	3%	1%	4%

Source: ESS 2011

Additionally, employer recruitment of young people is changing. In particular, some employers are set to recruit fewer university graduates, due in part to the rise in tuition fees and the off-putting effect this could have on participants in HE and will, therefore, need to engage with young people at an earlier stage. For example, some accountancy firms in the WoE have started to recruit apprentices rather than graduate accountants.

The realisation that both providers and employers need to work together on the issue of employability has led to five elements focussed on increasing the employability skills of young people:

- **Charter Mark** – which is the focus for this case study. Charter Mark is a quality standard awarded to schools colleges and ;
- **Employability Group** – which includes the main partners: local authorities; providers; Jobcentre Plus; NCS; NAS and others.
- **Employability Manifesto**. Developed in November 2012, it identified the LEP and partner’s focus on employability and how these complement each other. There were two main actions, to improve:
 - Access to work experience, especially through work based tasters and placements;
 - Careers advice and guidance. Improving local LMI for careers advisers about job opportunities and growth.
- **Business in Schools Network**. It has about 14 members including: business representatives (e.g. ablaze), school representatives (e.g. Bristol Schools Partnership), intermediary organisations (e.g. Business in the Community, Prince’s Trust) and others (e.g. Graphic Science and the Kingswood Partnership).
- **Immersion events**. There have been five events focusing on each of the LEP’s priority sectors – advanced engineering; aerospace and defence; creative industries; professional, finance and insurance; low carbon industries; micro-electronics, and; tourism. The immersion events were an opportunity to bring providers and employers together and included:
 - A one day event for each of the five priority sectors;
 - Representation from 20 employers;
 - Representation from 20 providers covering FE and HE;
 - Working through set activities and a ‘speed dating’ exercise.

To some extent, all of this work builds on previous organisations, programmes and initiatives. For example, the previous manager of the Employer Business Partnership (EBP) is working for West of England LEP and has been involved in developing some of the above elements.

The Charter Mark is based on an idea that was being developed by Weston College, and its principles are based on Investors in People (IiP) i.e. with a focus on organisations’ aims and objectives and then activities fall out of that. There are broad indicators of behaviour, which are based on what businesses and providers should be doing anyway – it goes with the grain of their self-interest.

So, whilst there is a legacy of previous working, all of the above are new activities derived from current identified needs of employers.

'Standards', such as, Investors in People (IIP) and the ISO9001:2000 quality standard are developed for both internal and external reasons. Externally, they communicate to others that an organisation has processes of sufficient quality and that the organisation 'delivers' on these aspects. Internally, they are used to develop appropriate processes to a particular standard and that these are consistently and regularly applied throughout the organisation.

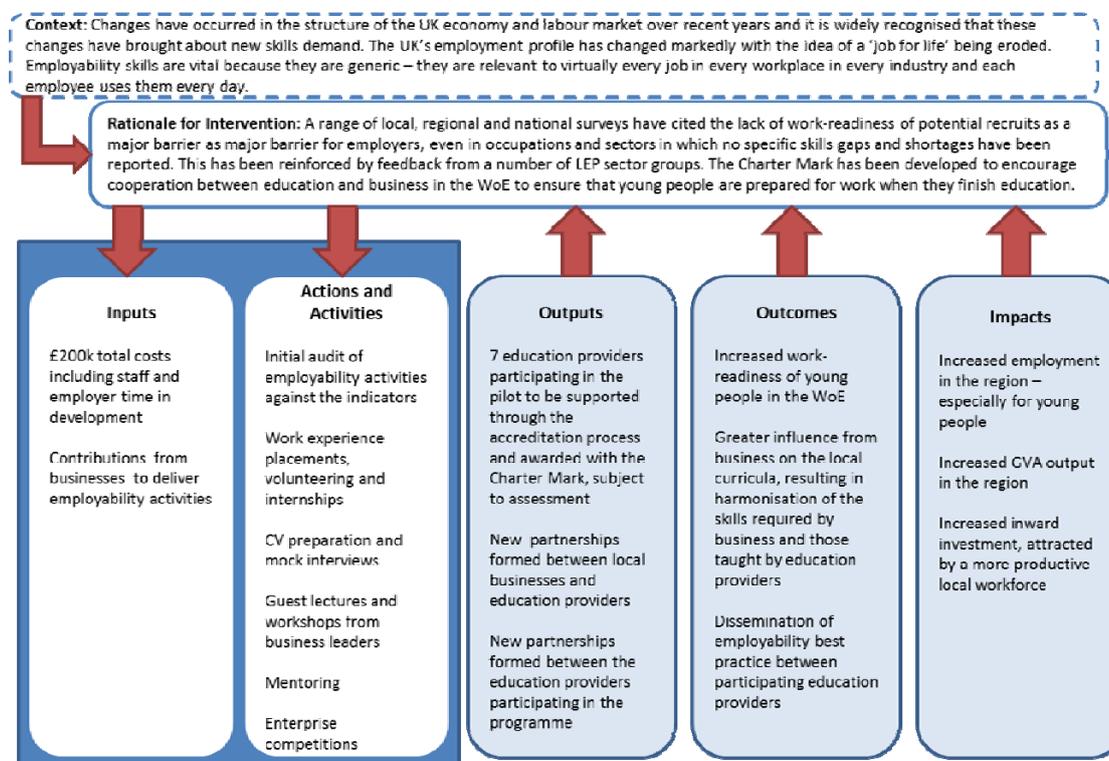
Charter Mark is, currently, in the latter category and is designed and being developed to increase employer recruitment of young people. On the one hand, employers have skills shortages and hard to fill vacancies. On the other hand, there is a ready and regular supply of young people who could potentially fill these jobs. However, employers are reluctant to recruit young people partly because they believe (perceive or based on actual experience) young people as not having the requisite skills, a main concern is young people's lack of employability skills e.g. commitment, team working, timekeeping etc.

Therefore, Charter Mark is being developed to ensure that providers develop employability skills provision, through working with employers, in order to address this employability skills gap. This used to be the remit of the Connexions Service and Education Business Partnerships but these organisations either no longer exist or do not provide this support.

Charter Mark "...commits them [providers] to ensuring that their pupils or students are work-ready..." through: an effective system of information advice and guidance; direct exposure to the work environment, and; specific and tailored learning support in key areas of employability. Critically, it fosters the direct involvement of businesses to support providers to develop employability skills which employers require.

Figure 24 presents a **logic model for the Charter Mark**, setting out the rationale and the specific objectives of the Charter Mark and its target outcomes and growth impact.

Figure 24: West of England Employability Charter Mark logic model



Source: Developed by ICF GHK based on the information collated as part of this research

Design of the Charter Mark intervention

Aims and objectives

The main aim of the Charter Mark is to improve the employability skills of young people, especially 16 year old school leavers, and improve their readiness for work. This is the main skills issue emerging from the LEP's employer-led sector skills groups.

The Charter Mark is a business-defined and assessed quality mark for the city-region which any educational institution (school, college or university) can sign up to. It commits them to ensuring that their pupils or students are work-ready through:

- An effective system of information advice and guidance
- Direct exposure to the work environment
- Specific and tailored learning support in key areas of employability including:
 - preparation of CVs
 - application forms
 - presentation at interview

- key work-ready skills and attitudes
- Direct involvement of business in
 - career briefing
 - development of realistic curriculum material (case-studies, simulations etc.)
 - mentoring pupils/students at risk of being NEET (NB – at any age).

Charter Mark is currently in its pilot phase and so there are not defined outputs and targets, although clearly the main outcome is to trial the approach, build on lessons learnt and effective practice in order to create a final delivery model.

Policy design

“Employability - the set of generic skills and attributes required to get and sustain a job – is a critical issue for businesses recruiting in the West of England. A whole range of surveys, local (Business West), regional (FSB) and national (British Chambers, CBI) have cited the work-readiness of potential recruits (or more precisely, its absence) as a major barrier by employers, even in areas and sectors where no specific skills gaps and shortages have been reported. This has been reinforced by feedback from a number of LEP sector groups that have registered the same concern specifically in relation to young people. It is worth noting that an employer who has a poor recruitment experience with a young person is much more likely to recruit an adult with experience next time they recruit.”

Source: West of England Employability Manifesto.

The Charter Mark was developed by a business-chaired group. As with other elements of employer engagement, the pilot was led by a Task and Finish Group. The Task and Finish Group was given a specific focus and timescale and included employer (Business West, FSB, IoD, and Skills Group members) and provider representatives (school, FE and HE), members of local LEAs, and major employers (e.g. Ministry of Defence).

Charter Mark was derived from an existing initiative originally discussed as an employability passport concept by Weston College.

A key driver is the issue of employability skills in schools. Preliminary analysis undertaken by the West of England LEP showed that employability skills are understood in FE and HEIs but not schools. School teachers come straight from University not via business and industry, unlike FE, and so lack this experience. Schools are very adept at the academic route but not so much with the vocational route of traineeships and apprenticeships.

The intention is to develop Charter Mark as a universal application. Consequently, the pilot is testing whether the interfaces, principles, connections and communications are appropriate and effective. **There are three schools, three colleges and one HEI involved in the pilot:**

- Redland Green School;
- New Fosseyway School;
- Brislington Enterprise College;

- Merchants Academy School;
- City of Bath College;
- South Gloucester and Stroud College; and
- Bath Spa University.

One of the three schools, New Fosseway, is a special school. This follows on from the LEP priority of supporting learners with learning difficulties and/or disabilities.

Delivery, strategic management and funding model

As far as employers are concerned, the Charter Mark is utilising an 'alignment' of employer and provider (especially schools) impetus to address the employability skills of young people. On the one hand, the current educational agenda is creating competition between schools; the academy system (every school in Bristol is an academy) is seen as creating a competitive school environment where schools have to develop an attractive proposition to potential pupils and parents, and employability becomes an important part of their offer.

On the other hand, businesses also have a willingness to get involved in the problem through a whole range of business drivers: skills shortages, future replacement skills demand, as well as a desire to address youth unemployment.

The Charter Mark Pilot has been funded by the LEP. ESF monies have been identified for the full roll-out. The total cost of the pilot to date is approximately £200k, including the time spent by staff and employers in the development of the Charter Mark. £75k of this has been funded by the WoE City Skills allocation (totalling £500k) and covers the launch of the programme, as well as supporting pilot organisations through their initial assessment and accreditation with the Charter Mark.

Following on from the pilot, Charter Mark has been launched at a business event and is being promoted through business networks such as CBI, IoD, FSB and Chambers of Commerce, as well as the LEP's own employer networks. Charter Mark was launched to schools at a schools conference and, to date, there are 17 schools, 3 colleges and 2 HEIs wanting to take part in the roll-out. Demand is currently high amongst both employers and providers.

Delivery, strategic and funding model

A detailed discussion of the delivery, strategic and funding models is not appropriate at this time, as these will evolve from the pilot.

Timescale for delivery

The Charter Mark has just successfully completed the pilot phase of the programme and it is planned that there will be a phased roll-out across the LEP area over the coming years:

- October 2012: Pilot phase to support seven education providers through to accreditation with the Charter Mark;
- September 2013: 22 organisations – 17 schools, 3 colleges and 2 HEIs – to be supported in phase two of the roll-out;
- September 2014: 100 organisations to be supported, subject to funding.

The Charter Mark pilot and roll-out is being monitored by an employer chaired Task and Finish group. This group monitors risks and develops mitigation activities, Business West, the local Chamber of Commerce, is also represented on the Task and Finish group and they have vast experience of risk management. The LEP is working with Business West to establish and protect Charter Market's value with employers.

Policy implementation

A range of employability activities have been undertaken by education providers on the Charter Mark pilot

The Charter Mark is based on 12 indicators (see Table 24). Against each indicator is the evidence required to measure whether the indicator is achieved, as well as the roles that the provider and employer should play.

Table 24 Action undertaken by providers

Activities undertaken by providers include:
<p>Schools:</p> <ul style="list-style-type: none"> • Initial audit of school employability activities against the indicators; • Creation of employability role assigned to a member of the Senior Management Team (SMT); • Monthly Employability Skills group (within schools) including school employability lead, school IAG lead, school enterprise and work related learning lead, and Learning Partnership West; • Change in careers focus from small school-based fairs to attendance at large regional careers fairs; • For the first time, New Fosseway school has been able to offer their students work placements with local employers – being a part of the Charter Mark was a key factor in forming these new partnerships;
<p>Further Education:</p> <ul style="list-style-type: none"> • Initial audit of employability activities against the indicators; • Creation of employability skills action plan to be approved by the WoE LEP; • Creation of an employability skills framework whereby students are assigned different levels based on their current level of employability, which determine how and what employability activities are delivered to them; • Employability is now embedded in the curriculum as part of the students' timetables, with a certain amount of time each week dedicated to employability activities;

Activities undertaken by providers include:

- Work experience is mandatory in all vocational courses and is organised by the students themselves, which helps them develop their skills in CV writing, job applications, interview skills and contacting employers using the telephone;
- Collaboration with the University of Bath to run a six week enterprise activity supported by students of the university. An example of an activity was the students grew mint at the college and then made mint chocolate to sell at the university;

Higher Education:

- Initial audit of university employability activities against the indicators;
- 'Year in industry' placements with partner businesses;
- Guest lectures and workshops from industry leaders;
- Design competitions run by local businesses;
- Mentoring of MBA students by local business leaders.

The education providers interviewed were keen to point out that many of the above activities were already being undertaken to some extent prior to the advent of the Charter Mark, but to a lesser extent, and more informally and on an ad hoc basis.

The Charter Mark has enabled them to identify best practice activities and share these with other organisations and to improve the consistency and depth of activities offered across their curricula. For example, some departments in the school / college / university may have been undertaking employability skills activities, which could be easily scaled up to cover the whole organisation or adopted in other departments.

New Fosseway School

The organisation that has seen the biggest difference in terms of the employability activities that it offers is the New Fosseway School. Being a special needs school, New Fosseway had previously found it difficult to engage with employers and, consequently, was unable to offer employability activities, such as work placements, to their students. Participating in the Charter Mark has provided the school with a means of engagement with employers that is recognised and endorsed by the LEP, which has facilitated the formation of new partnerships with employers that would not otherwise have been possible. As a result of their participation in the Charter Mark, New Fosseway School now offer work placements to their students in several local businesses.

Table 25: The West of England Employability Charter Mark

Indicator		Evidence	Business Role – Participants	Business Role - Partner
1.	Employers are a key partner with a clear role working with learners, educators and the whole organisation	Strategic influence over curriculum Representation on board of governors	Make available senior staff as governors	Make available senior staff as governors (and chairs) and inputs into curriculum
2.	Senior leaders are committed and effective in leading, managing and developing employability	Organisation development plans Strategic and Operational Plans Ofsted reports		Business mentors senior education organisation staff
3.	The organisation maintains a knowledge base of the labour market and relevant job opportunities for its learners	Careers library, internet sites advertised, staff audit details Appropriate use of specialist software CPD for IAG staff Partnership working		Advertise jobs and training in the local community/schools/FE/Universities
4	The organisation builds employability and understanding of the work context into the curriculum	Modules/ units/assignments in employability skills and knowledge Work behaviours/attitudes built into delivery models Induction Activity, Role play/mock interviews delivered by business leaders, Visiting speakers	Offer staff time to provide speakers and support for employability sessions (mock interviews etc)	Structured ongoing relationship between educational organisation and business
5	The organisation has a strategy for monitoring and improving its performance in careers and employment outcomes	Documented policy; destination tracking KPIs (Key Performance Indicators) and local targets. Event evaluations include business and students	Attending events to support employability e.g. Speed networking, careers information events for students and parents	Assist in strategic planning/critical friend
6	Organisations are committed to working across the spectrum of schools, colleges and universities	Partnership working.	Host workplace visits for groups	
7	Learners have direct and structured experience of the work environment	Work experience placements, internships, exchanges, volunteering etc. Apprenticeships Log books/ Records of work	Offer Work Experience Opportunities	Structured relationship between organisation and business

8	Learners get high quality impartial advice and guidance on all career choices and progression opportunities	Staff appropriately qualified ie Matrix, CPD evaluations. Career briefings, mentoring, interview reports, destination data Visiting speakers, Partnerships, Conferences, PHSE programme details Destination Data	Commit to allowing staff to participate and promoting opportunities	Include participation in staff review process
9	Learners are encouraged to take ownership of their employability	Portfolios, Business led project activity, Records of achievement, Self –arranged secondments, placements, Induction activity, Schemes of work which evidence delivery of employability skills, PHSE details – skills audits etc.	Open door policy – staff encouraged to volunteer as mentors	Business set challenging, real life business projects for schools, and support project activity
10	Learning to tackle the challenges of recruitment and initial employment is an explicit part of the learning experience	CVs, application forms, interview simulation exercises (e.g. mock interviews) Evidence of using a range of methods to search for work	Offer staff time to provide support for employability sessions (mock interviews etc)	Developing own staff to support activity
11	Wider global and cultural awareness is promoted to all learners	Structured interaction with “International” students. Overseas visits, Visits to cultural organisations and traditions. Module in PHSE/IAG programme	Introduce staff for from other countries as visiting speakers	
12	Stereotypical perceptions are actively challenged	IAG considers all progress routes with impartiality. Encouragement is given for all students to consider all options. Direct teaching on addressing stereotyping in employment.	Support educational establishments with staff role models in areas which are stereotypical e.g. women in construction, young people who are managers, disabled employees	Review IAG from a company policy perspective

Evaluation and monitoring systems

The pilot is being evaluated internally and reports to the Task and Finish Group. There is also informal and formal sharing of information and experiences amongst participants.

Delivery and funding impact

Initial feedback from providers and employers suggest that the pilot is working well.

Aspects reported to date include:

Evidence highlighting that the pilot is working well

Partners views:

Basing the Charter Mark on the liP model was seen as effective because liP is based on, and works towards, the aims and objectives of the organisation. This means that activities are allied to what's good for the business and the provider as well as young person. The Charter Mark process is seen as rigorous as it involves appropriate and relevant high level indicators which need to be evidenced.

School views:

Schools have received extensive support from the LEP which has been well received and supports schools understanding of, and work towards, the Charter Mark.

The process of Charter Mark is seen as straightforward and simple: "...here are the criteria, can you meet them, here's the form". Along the 12 criteria, there are suggestions as to how to meet the indicators.

By working through the process, providers can identify strengths, weaknesses and gaps so it was not just a form filling exercise.

It is seen as flexible for employers. When businesses sign up they can provide what they want e.g. from giving speeches to pupils or offering work placements.

FE and HE views:

The management and delivery of the programme has been good. It has primarily been about providing a framework through which education providers and local businesses can form a community to ensure greater cooperation in employability education.

However, as shown in the table **Error! Reference source not found.** the consultations with partners, schools, colleges and employers identified a number of areas where there was scope for development, in addition to several learning points that should be considered for future phases of the roll of the Charter Mark initiatives during 2013 and 2014.

Table 26: Stakeholder and partner views on key learning points and areas for further development

Stakeholder group	Areas for further development and lessons for future delivery
Partners	<ul style="list-style-type: none"> • There was no school involvement at first in the Task and Finish group but this has been rectified. • Having a fast track Charter Mark to recognise that some providers already have existing employability activities which count towards Charter Mark status.
Schools	<ul style="list-style-type: none"> • Initially less school friendly. For example, now more flexible on whether you need to have someone employed internally undertaking some activities (e.g. IAG) or having external partners e.g. Learning Partnership West deliver it. • On-line form initially was difficult but now more guidance is available when completing it. • Need to devote adequate resources, but the Charter Mark lead does not necessarily have to be a teacher or have an employability background.
Further and Higher Education providers	<ul style="list-style-type: none"> • One of the main challenges in implementing the Charter Mark beyond the pilot phase will be in gaining the initial commitment of education organisations. At first sight, this can seem like “just one more scheme to get involved in” and the key will be to demonstrate that the Charter Mark is a straightforward process and one that is worthwhile. • It is also crucial that the Charter Mark is used as a mechanism to capture best practice in employability and celebrate it. This positivity will ensure that momentum remains behind the Charter Mark. • Some FE organisations mentioned that engagement with local employers had been difficult thus far. The WoE LEP is currently addressing this issue with the creation of a database of business contacts that have expressed an interest in taking part in the Charter Mark, which it will make available to participating education organisations. It will also become easier to engage with employers under the Charter Mark scheme as it becomes more well-known across the LEP area.
Employers	<ul style="list-style-type: none"> • From the employer perspective, it is important that the Charter Mark is packaged and presented to businesses in a way that emphasises its relevance and benefit to them. This is especially important for SMEs who often view the process of engagement with schools and colleges as time and resource intensive for little benefit to them.

Policy effectiveness to date

Benefits and impact

At a national level, much of the evidence for impact of initiatives to develop the employability skills of young people is anecdotal. However, a recent empirical study concludes that:

“The International Labour Organisation (ILO) has argued: ‘Young people have long been disadvantaged when it comes to finding work ...: they have less work experience; they have less knowledge about how and where to look for work; and, they have fewer contacts upon which to call’.⁴⁴ The analysis presented here suggests that employer engagement within educational experiences represents an effective means of addressing the comparative weaknesses young people face as they enter the labour market.”⁴⁵

The authors surmise that: *“...any causal link from school-mediated employer contact to wage outcomes is likely to be driven more by increased social capital as witnessed in improved access to non-redundant, trustworthy information and social network development than by the development of either technical or ‘employability’ skills.”*

As far as the pilot of the Charter Mark is concerned, it can be considered successful, in the main because it emerged from conversations between business and providers, motivated by shared objectives, especially youth employment. **The fact that the Charter Mark was a local response was critical to its success.** As far as this is concerned, the role of LEPs in their broadest senses has been important because they are employer-led, and also because they have a smaller geographic focus and so can engage in more effective and meaningful local discussions.

One of the key benefits identified by partners was that the Charter Mark has been an effective mechanism for bringing together educationalists and businesses in a proactive manner to help identify and develop solutions to skills and employability issues. Further benefits identified during the research and consultations are summarised in Table 27.

Table 27: Stakeholder and partners views on the effectiveness to date of the Charter Mark

Stakeholder group	Benefits identified
Schools views	<ul style="list-style-type: none"> • More and more relevant contacts for work experience for pupils. In the past, pupils were given a list of work placements to choose from, now the school is more flexible and open to ideas about work experience. For example, if a pupil identifies an opportunity. In the past this would not have been a choice because it was not on the list. Now the school makes a greater effort to include that business e.g. undertaking CRB checks. • Employability has moved from a set of discrete and ad hoc activities to a whole school approach. There used to be a lot of ad hoc activities but now much more extensive. In the past the focus would have been on Yrs 11-13. Now they include Yr 8s.

⁴⁴ ‘Investing in Young People: An ILO Briefing Note on the Challenges, Urgency and Means’. ILO, 2010.

⁴⁵ ‘Employer engagement in British secondary education: wage earning outcomes experienced by young adults’, Anthony Mann and Christian Percy, Journal of Education and Work, 2013.

Stakeholder group	Benefits identified
	<ul style="list-style-type: none"> • The LEP identified what employers wanted from school leavers. The school is now trying to incorporate those elements into its curriculum. • In the case of the special needs school, being a part of the Charter Mark has enabled them to engage with employers in a way that they were previously unable to do and offer work experience to their students for the first time.
Further and Higher Education views	<ul style="list-style-type: none"> • The Charter Mark has enabled organisations to examine their employability provision from a new perspective and has highlighted particular areas for development, as well as areas of aspects of good practice that could be more widely applied. • It has provided a framework for organisations with more experience in employability (e.g. Bath Spa University) to share their expertise with less experienced organisations (e.g. schools). • New partnerships have been formed between the schools, colleges and universities taking part in the pilot. • Being a part of the Charter Mark programme has helped FE colleges engage with employers and new partnerships (formed under the pretext of the Charter Mark). • With the Connexions service no longer operating in this area, the Charter Mark has taken on the role of a support service for careers advisors and other people working in employability. • Consistency has been improved, so that similar employability activities are adopted across all departments.
Employer views	<ul style="list-style-type: none"> • Partnerships with local education institutes provide an opportunity for positive PR and exposure in the WoE LEP area; • Employers are able to influence the curriculum to educate students in the skills that are necessary for their industry (achieved through the activities undertaken as part of the Charter Mark (guest lectures, workshops, competitions etc) • Working closely with students at schools, colleges and universities provides employers with the opportunity to identify and recruit the 'best' young talent.

In addition to the views highlighted in the table above, some of the education organisations did point out that, thus far, there has been little *additional* employer contact as a result of developing the Charter Mark. However, they remained hopeful that this would come once the programme becomes more widespread across the region and accreditation with the Charter Mark is recognised and understood by employers.

The main aims of Charter Mark are to: to promote greater communication and stronger links between business and education providers, and; enable business to have more of an influence on providers' curricula. The feedback from businesses the LEP is in contact with suggests that Charter Mark "...is just what we want", and "about time". Businesses

appreciate the range of access points being created to work with providers so that they can tailor their contribution depending on size, needs and their staff availability.

Some businesses have wanted to work with providers in the past but have found it difficult to make initial contact and/or develop their engagement after initial contact is made. Employers see Charter Mark as a means of facilitating access to local providers (especially schools) and engaging and working with them because it provides them with a mechanism and support to do this. One small employer remarked: *"...this is lots of people turning one big wheel to make a big impact, rather than lots of people turning lots of wheels with many small impacts, therefore I see it as a more valuable use of my time."*

Value for money

No formal value for money assessment has been undertaken as yet. However, the total project costs are approximately £200,000 and there are 36,131 students in total across the seven education providers that attend schools which have been supported through the Charter Mark programme.

The benefits of the Charter Mark, and thereby value, is expected to accrue from both the provider and employer side. These include:

- **For employers** – decreased recruitment and skills shortages, reduced costs in bringing new young recruits up to speed, promotion of job opportunities in their business/sector (especially for sectors with a negative image amongst young learners);
- **For providers** – improved IAG, greater and more consistent employability offer, more employer responsive curriculum; and,
- **For young learners** – increased job opportunities, reduced unemployment, more effective IAG, practical work experience and tasters, understanding of the world of work.

Future of the policy intervention

The pilot phase is coming to an end and the plan is for a phased roll out as follows:

- **September 2013** – 20 organisations supported
- **September 2014** - 100 organisations will be supported - subject to funding

Lessons learned and policy messages.

Key successes or drivers of success for the activity

The main drivers are the greater employer and geographic focus of the LEP. The Charter Mark arose from the identification by employers of the main issues that were facing them. This generated a *'local conversation'* between employers and providers as how best to take this issue forward. Building on the increased employability of schools (as they operate in a more competitive environment), as well as the business and skills drivers impinging on employers has also been important. This means that the Charter Mark has been pushing at an open door as far as schools and businesses are concerned.

It is also important that a special school was included in the initiative. Special schools tend to be left out of many similar initiatives. This aligns with a LEP emphasis on supporting learners with learning difficulties and/or disabilities. The LEP has been careful

not to identify too many projects so they can devote the right level of resources. This is why the LEP chose to focus on the main issue employers highlighted i.e. employability skills of young people.

Evidence of innovation

Charter Mark does not demonstrate 'innovation'. It is based on an existing standard (liP) adapted to meet an identified business problem. However, the process by which the underlying skills issue was identified, the decision to focus LEP activities disproportionately on employability skills, and the way in which Charter Mark has developed has been effective if not innovative.

Specific conditions in the operational context for the activity

Some respondents felt that the landscape in the LEP area was much more conducive to employer/provider collaborative working. A provider respondent who had recently moved to Bristol from another region felt that there was a better relationship with businesses in Bristol and greater collaboration between employers and providers. For example, the relationship is between providers and employers rather than employer intermediaries. It was felt that part of this was down to Bristol West. An employer respondent mentioned the business engagement activities over the past 30 years in Bristol – not just in the area of skills but more generally – and this was an important bedrock upon which the initiative is based.

Opportunities for transferability

On the face of it, there appears to be nothing inherent to the Charter Mark that would prevent its transferability. The challenges facing the WoE are the same as those in other economic areas. Moreover, business needs are very similar across the country and schools, colleges and universities all share the same commitment to helping young people have successful futures. Therefore, if the Charter Mark proves to be successful in the WoE, its success should be replicable through similar initiatives in other areas or even nationwide.

All of the education providers interviewed were in agreement with this view on the opportunities for transferability. The representative for Bath Spa University stated that: *“No matter where this applied across the country, we are confident that we have developed a successful framework that will support that ambition.”*

Summary of key lessons and messages

The primary and secondary research undertaken for the preparation of this case study has identified a number of key lessons and messages. These include:

- Skills responses should focus on those skills issues which are most important to employers;
- Limited resources should be focused on priority issues;
- Exploit the strategic and operational landscape i.e. current school competitive environment, desire of employers to get involved on a self-interest but also altruistic level;

- Need to have a wide public/private sector partnership across all aspects of local economic development. This provides the basis for public/private partnership on specific agendas (e.g. skills) and specific initiatives (e.g. the Charter Mark);
- Flexibility of approach which recognises the strengths and limitations of different providers;
- Allow employer engagement along a continuum of intensity from apprenticeship placements through to talks to pupils; and,
- Providers need to embed employability within their business model not undertake specific and ad hoc employer related activities.

Synthesis – key research findings and policy messages

Introduction

This section presents the synthesis of the key research findings and policy messages.

Common lessons and messages identified across the four case studies

Rationale

The four examples reflect a perceived void in business service and skills provision following the cessation of the Regional Development Agencies, whilst to varying degrees, each of the examples has some basis in previous practice, building on what was perceived to be valued and useful by businesses.

The four interventions have been developed and designed to help simply the support landscape, by acting as single access points for engaging with the local business community (e.g. where do businesses start?). In the case of the Greater Manchester Growth Hub, Plymouth GAIN and the New Anglia Business Portal, these initiatives play an important role in helping businesses access and navigate the local and national business support landscape, for example by directing local businesses to appropriate national/local support services/providers (e.g. match making).

These initiatives are also playing an important role in helping drive deal flow by providing an additional route to market for public and private sector providers.

Common challenges and lessons

All of the four case studies have faced similar challenges and lessons during their start-up and roll out phases for example:

- **Attracting external funding has been critical to enable the interventions to scale up their services.** Securing and leveraging funding can, in turn, result in loss of delivery momentum, due to the time lag between funding submission, approval and due diligence and the recruitment of additional members of delivery staff (which is often dependent on funding draw down).
- **Time taken to develop partnerships and programmes is often underestimated**, but forms a critical part of the development and design of each of the four interventions. Personal reach into local networks is critical for identifying and engaging with delivery partners and target businesses.
- **Business engagement to support the design of the policy intervention is important.** Rather than imposing a policy and then contracting the private sector to deliver it, all of the four policy interventions have worked with employers and small businesses to help design the service offer.
- **Measuring value for money.** All of the project examples have faced challenges in defining value for money given the absence of clear benchmarks and the fact that the

delivery of impacts is often directly attributable to delivery partners. Other areas might therefore be able to address some of the potential funding issues by ensuring that monitoring and evaluation frameworks are in place prior to launch so that impacts can be captured, assessed and used to make the case for future funding.

- **Establishing governance arrangements and monitoring and evaluation procedures.** All of the interventions recognise the importance of developing robust governance arrangements and monitoring and evaluation procedures to provide accountability, monitor performance and oversee progress and help inform and shape the future direction of policy intervention. Each of the case studies reviewed is at different stages of development, with some more advanced than others – to a large extent explained by the differing start dates of the individual interventions. For example, during its development the Greater Manchester Business Growth Hub was governed by a Strategic Board for Business Growth. Following a review of business support arrangements within Greater Manchester from the summer of 2013 this responsibility will be taken on by a working group under the Economic Solutions Board, This Board will provide a strategic overview and governance of a range of business growth programmes delivered across Greater Manchester and is accountable to the Greater Manchester LEP Board. Whilst other initiatives, such as Plymouth GAIN which were reviewed as part of this study are currently in the process of further formalising its systems of governance.

It is important to note that some of these challenges and lessons are likely to be similar to the problems generally faced by local projects, not just those in the business support domain.

Rationale for local policy intervention - market failures and policy gaps persist?

Evidence shows that businesses that use business support and growth services during their formative years are more likely to flourish, gain competitive advantage and create high value companies than those that do not⁴⁶.

However, across the whole business population, take up of business support generally remains low, with smaller businesses finding it difficult to access and assess the benefits of well-tailored advice and support without experiencing it. As a result, they under value the support on offer, either do not use advice services or under use them, and have a low willingness to pay the market value that good quality impartial advice might cost. This underutilisation can have implications on the business or entrepreneur by reducing their chances of starting up or failing to exploit their growth potential.

Market failure in relation to the provision of business support services has been well researched⁴⁷, with various market failures posing significant obstacles to enterprise within

⁴⁶ UK Enterprise Strategy page 35

⁴⁷ Example of research include: A Study of Business Support Services and Market Failure: European Commission 2002; OffPAT Information Note 2/2008 Market Failure: Categories and Examples; The Economic Drivers of Government-funded Business Support: Supporting analysis for 'Solutions for Business: Supporting Success' October 2008; and; Impact of RDA Spending National Report, DBERR, 2009; Economic Impact Study of Business Link Local Service, BERR (2007)

start-ups and smaller businesses, preventing them from competing with larger rivals on an equal basis. In particular, business formation and SME growth are constrained by market failures that affect access to external finance, by a lack of information about the availability and benefits of using external sources of advice, and by particular difficulties in appropriating the full economic benefits of their investments in training and research and development.

In the four examples, the origins of the local policy interventions reflect a perceived void in business service provision following the cessation of both the Regional Development Agencies and Business Link. Indeed, and to varying degrees, each of the examples has some basis in previous practice, building on what was perceived to be valued and useful by businesses. In particular, the examples have sought to address:

- Issues of market failure and/or the fragmentation of the business support 'landscape';
- Local policies to stimulate growth or address specific local challenges; and,
- Address gaps in national policy.

Case study intervention	Rationale for investment (including market failure)	Stimulating local growth by addressing local challenges	Addressing the gap in national policy
<p>Greater Manchester Business Growth Hub</p>	<p>Market failures, such as costs of obtaining commercial or market information, information failures around the risks associated with entering new markets.</p> <p>Following the closure of the Northwest Development Agency there was concern from the Association of Greater Manchester Authorities and partners that the support landscape was in danger of becoming fragmented.</p>	<p>Stimulate private sector growth by exploiting local assets and opportunities offered by local economy and to respond to the market failures and growth challenges faced by local businesses.</p> <p>Addressing the unique challenges facing Greater Manchester businesses: lack of local networks means that the spread of innovation within Greater Manchester is slow and it often takes a large number of firms to have adopted an innovation before others follow suit.</p>	<p>National programmes focused on a narrower range of businesses (e.g. those with 20% growth targeted by the Growth Accelerator) & fewer business support tools, leaving void in the market place for businesses demonstrating “only” potential to achieve growth of 10% to15%.</p>
<p>Plymouth GAIN</p>	<p>Assets and services had been working in isolation and needed to be more integrated.</p> <ul style="list-style-type: none"> • Addresses the void in business support activity left by the closure of RDAs. • Led by Plymouth University as South West LEPs were in the early stages of development. 	<p>Local economic challenges including particularly low levels of productivity and innovation.</p> <p>Plymouth has not been able to develop its assets and capabilities into a coherent offer to appeal to business and investors, resulting in low business growth and inward migration, leading to a demographic dominated by</p>	<p>Take up of national schemes, particularly those related to R&D, was low amongst businesses on the peninsula. For example, the take up of R&D tax credits in the peninsula is disproportionately low, particularly in comparison with the South East, and</p> <p>Evidence suggests this is largely due to lack of awareness of the opportunities and suggests a</p>

Case study intervention	Rationale for investment (including market failure)	Stimulating local growth by addressing local challenges	Addressing the gap in national policy
		small and micro business.	need for a more bespoke and locally nuanced offer.
New Anglia Business Information Portal	<p>Following the loss of Business Link East and an increasingly fragmented market for business support, small businesses and businesses support organisations.</p> <p>The FSB and Chambers of Commerce identified that there was a need to provide businesses with a route to high quality business support, as some were finding it difficult to find.</p>	Reach of national programmes to respond to the specific local economic conditions and challenges facing local businesses within New Anglia LEP, with many remote and rural businesses, also merits the use of such an approach.	The overarching objectives of the portal are to act as a signpost to promote local and national business support services to existing and new businesses across the Norfolk and Suffolk area; establish the portal as the preferred website for business support information to the Norfolk and Suffolk business community and to increase the take up of business support services.
West of England Charter Mark	Identified need to build on previous organisations, programmes and initiatives such as Employer Business Partnership (EBP) to address employer concerns that school or college leavers were poorly prepared or worse	The 11 sector groups of the LEP identified employability skills of young people as a major barrier to employment and economic growth in the region.	Local response to identified major skills issue building on local institutional dynamics e.g. competition between schools.

Responding to the challenge

The Heseltine Review (2012) proposes a radical improvement to how businesses are engaged and supported at the local and sectoral level, suggesting a coordinated business support infrastructure that is led by the private and offers easy access to trusted business support and advice.

The four local policy interventions reviewed offer potential delivery models to address this recommendation, whilst providing a useful mechanism to address the challenges identified above through a number of routes. The Growth Hub model (Plymouth GAIN, as well as Greater Manchester, fits this approach) provides a demand led 'wraparound' business support service, which offers business needs analysis, diagnostics through to provider referral and the development of bespoke support solutions to address specific needs and barriers to growth.

Benefits and impacts

The case study analysis has highlighted that localised policy interventions can deliver benefits and economic growth (see also Table 28):

- **Supporting the growth agenda:** For example, by June 2015 the Greater Manchester Growth Hub offers the potential to deliver approximately £50m of GVA and create/safeguard over 2,000 jobs. Through its partners, Plymouth GAIN is already involved with more than 500 businesses, employing more than 32,000 staff and turning over in excess of £2.7 billion.
- **Simplifying the support landscape through improved co-ordination between local and national support programmes:** All four case studies represent a single point for directing local businesses to appropriate support services. The three business support case studies provide independent signposting and, in the case of the Greater Manchester Growth Hub, personal introductions to appropriate provision or networks. By establishing cross referral systems, joint agreements etc. the Greater Manchester Growth Hub is helping integrate programmes, such as Growth Accelerator, into local support infrastructure. The Hub also operates as part of the supply chain taking referrals from other organisations, whilst passing on opportunities to others.
- **Helping drive demand and deal flow:** The Greater Manchester Growth Hub, Plymouth Gain and the New Anglia Business Portal offer an additional route to market for a range of public and private providers. This was identified as a key value of the service by both delivery partners and end users, e.g. SME's are attracted to the Hub and supported through personal introductions and follow ups to the most appropriate sources of help.
- **Leveraging additional funding:** All of the case studies have been successful in securing funding from other public and private partners, including ERDF, RGF, City Deal and Enterprise Zone revenues. This investment has been an important factor to ensuring future sustainability and scaling up of service offers. The Greater Manchester Growth Hub has also been successful in attracting corporate sponsorship for events and secondments from the private sector to the Growth Hub (e.g. NatWest).
- **Improvements over other 'portal-based' interventions:** For example, GAIN is trying to develop a more comprehensive and sophisticated portal that provides bespoke

content for the different cohorts (students, academics, businesses and investors), and a virtual market place where cohorts can access the most appropriate support available

- Mechanism to improve intelligence on business needs, barriers to growth and solutions:** Including research and intelligence to identify current and future SME growth challenges, issues and employer skill needs in the context in which they operate and establishing key priorities to address identified gaps and shortages in support provision. The 'Growth Hub' model provides an umbrella mechanism to clearly understand the needs of businesses and deliver a support service that effectively meets demand through effective, and practically based solutions.

Table 28:: Emerging benefits and impacts of the case study interventions

Policy intervention	Benefits and impacts
Greater Manchester Business Growth Hub	<ul style="list-style-type: none"> By June 2015, the Growth Hub aims to deliver the following impact: assist approximately 1,475 companies with improved performance or new and improved products, processes or services; support approximately 590 business leaders in their skills development; create 190 new growth start-ups and over 2,070 new jobs created/safeguarded; deliver GVA impact of circa £50m; and lever around £4.8m of public and private sector investment. Progress against these targets will be measured as part of the different funding streams that are supporting the Growth Hub (e.g. ERDF). Designed to address local growth needs and barriers: the Growth Hub has been designed to be more specific to Greater Manchester Business growth needs with a greater focus on addressing some of the local challenges facing local businesses that previous region-wide programmes were unable to fully address. The Hub as a 'match making organisation' was identified as a distinctive and unique selling point. The Hub brings together businesses with a wide range of services; access to finance, UKTI services, mentoring and broadband demand stimulation and the national GA programme. Having these services linked centrally was identified as healthy for mutual promotion, understanding the service offer of Hub partners and for developing referral systems.
Plymouth GAIN	<ul style="list-style-type: none"> Partnership development: GAIN has worked well in terms of facilitating partnership development, particularly as part of the City Deal bidding process. For example, City Deal has resulted in Plymouth University working more closely with the two LEPs, resulting in more meaningful partnership working around shared priorities of stimulating private sector growth to rebalance the local economy. Strength of the linkages between the University, incubation and knowledge-based workspace: GAIN has delivered strong improvements to the linkages between innovation workspace and the immediate support services available. Provision of a locally-tailored offer: the main differentiator compared

Policy intervention	Benefits and impacts
	<p>to previous and existing national provision is that GAIN offers a unique way of bringing together a range of locally based opportunities and resources. This would have been unlikely to have occurred without a major local champion, such as the University.</p>
New Anglia Business Portal	<ul style="list-style-type: none"> • Represents a single point for directing local businesses to business services and events and provides independent signposting and information on both public and private business support. • Important role of face to face business support – portal plays an important role (particularly after the loss of Business Link) by providing a single point of access for information regarding local (and national) public and private provision of business support services and events.
West of England Charter Mark	<ul style="list-style-type: none"> • Local response to identified major skills issues, building on local institutional dynamics e.g. competition between schools. In the main because it emerged from conversations between business and providers, motivated by shared objectives, especially youth employment – being a <i>local</i> response has been critical to its success to date. • Greater focus, emphasis, consistency of approach and quality in delivering employability skills to young people. • Opportunity for employers to become involved with providers at different levels and intensities.
New Anglia Business Portal	<ul style="list-style-type: none"> • Represents a single point for directing local businesses to business services and events and provides independent signposting and information on both public and private business support. • Important role of face to face business support – portal plays an important role (particularly after the loss of Business Link) by providing a single point of access for information regarding local (and national) public and private provision of business support services and events.

Challenges and potential barriers to successful implementation

Table 29 below highlights some of the implementation challenges faced by the policy interventions. These challenges are similar to the problems generally faced by local projects, not just those in the business support domain; issues of funding and delays in obtaining funding and the time taken to develop partnerships and programmes, which is often underestimated

Table 29:: Challenges faced during the set up and early implementation of the case studies

Policy intervention	Key challenges faced
Greater Manchester Business Growth Hub	<p>Delays in funding contracts has restricted the growth of the core team and as such has limited the amount of marketing the Hub could offer and has also been contributory factor for slowing initial momentum in terms of ability to scale up its services.</p> <p>Ensuring Growth Hub coverage across all local authority areas. As further funding is channelled into the Hub, it is important that work continues with individual Local Authorities to ensure effective coverage and targeting of resource. This is potentially a key risk to the future of any Hub – the fragmentation of the marketplace provides the opportunity for individual partners to ‘go it alone’ and not collaborate with a Hub. The Hub needs critical mass, especially in terms of the support of stakeholders and funders</p>
Plymouth GAIN	<p>There is a perception that GAIN is just another government initiative and it has been a challenge to explain that it is run by the private sector and the University. This challenge is being addressed through increased marketing and co-branding of GAIN with partner activities, such as those being delivered by the Tamar Science Park.</p> <p>GAIN has struggled to secure sufficient funding, with the University taking on the responsibility for funding the initial development and management of GAIN, the portal and establishing the network of partners. GAIN has secured funding from the RGF and the proposals under the City Deal, which will enable GAIN to continue to grow and develop its products and services and take it on to the next level.</p> <p>Current funding rules and output-driven models for business support services can encourage competition between providers and conflicts with GAIN’s aim of encouraging partnership, collaboration and cross-referrals.</p>
New Anglia Business Portal	<p>The relatively high costs of developing and operating the portal has been a key area of criticism from many commentators. The LEP, however, suggests that the relatively high costs are due to the complexity of the system and the significant amount of data processing required each time a user asks the portal for information.</p> <p>The relatively low visitor numbers and registered users, (compared to the indicative targets), together with the relatively high cost of developing and hosting the portal, would probably suggest that the portal currently does not represent value for money. However, to the extent that the portal can show that it has an impact on just a small percentage of businesses that would not otherwise have received support, then this simple value for money assessment could quickly change.</p>
West of England Charter Mark	<p>Initially less school friendly. For example, now more flexible on whether you need to have someone employed internally undertaking some activities (e.g. IAG) or having external partners e.g. Learning Partnership West deliver it.</p> <p>On-line form initially difficult, but now more guidance is available when</p>

Policy intervention	Key challenges faced
	<p>completing it.</p> <p>One of the main challenges in implementing the Charter Mark beyond the pilot phase will be in gaining the initial commitment of education organisations. At first sight, this can seem like “just one more scheme to get involved in” and the key will be to demonstrate that the Charter Mark is a straightforward process and one that is worthwhile.</p>

Emerging lessons and opportunities for transferring the models to other areas

The research has identified a number of emerging lessons and success factors for the set up and initial roll out of the four policy interventions, in relation to:

- Designing a service that is responsive to business needs and challenges;
- Delivering value for money;
- Meeting decentralisation and localism objectives; and
- Simplifying the business support landscape.

Customers at the heart of business support

- **Central ‘hub’ to handle customer acquisition and personal introductions / brokerage to solution providers.** All three business support models operate a central hub (either physical or virtual) for SMEs to access information regarding a range of sub-regional and national business services from the ‘hub’ itself, strategic partners and associated services (e.g. Business Services). There is great benefit to having an organisation that handles this process. Providers can then concentrate on delivery (which they tend to be better at) and reduce the sales focus (which they tend to be weaker at). This is a useful supply chain model, but it requires strong and open communication to ensure that providers needs’ are catered for and it is often undermined when the acquisition arm starts to push either ‘favourite’ products or its own.
- **SME engagement strategies are an important tool for identifying and recruiting businesses.** Having identified barriers to growth and potential solutions many businesses still fail to proceed with addressing these issues as they lack the resources (financial, managerial or time) to properly engage with business development solutions. Marketing and promotion and branding of the service offer is critical in order to raise the profile of the learning and skills offer to employers, and raising employer learning and skills needs with providers. This requires a targeted engagement strategy, combining a range of tools, e.g. direct market analysis using business data to target suitable SMEs with communications, events and wider PR through and other media routes.
- **Personal reach into local networks is critical for identifying and engaging with target businesses.** There should be a strong commitment to working closely with a range of local groups and organisations to both raise awareness of the service offer and discuss the range of support available and pre-vet businesses, including: Local Public/Private partnerships (LEP and Local Authorities); Local Business Associations

(e.g. Chambers of Commerce, local IoD branches); Local Professional Service providers (e.g. banks, legal agencies, accountants); Landlords (Business and Science Parks and Enterprise Zones); Venture Capital networks (e.g. Business Angles and local larger-funders); and, Knowledge / Innovation service providers (e.g. Universities).

- **The form of business support should not be prescribed.** It should use a mix of flexible delivery tools to meet with customer needs (whilst also reflecting value for money considerations). The review of business support interventions has identified a combination of a website/telephone portal, online support, a core team of advisors / account managers that help guide businesses seeking help to a range of programmes and providers of services who might be able to assist them (e.g. relevant business training events and networks and one-to-one advisory and mentoring services).
- **Attracting external funding has been critical to enable the interventions to scale up their services.** For example, in the case of the Greater Manchester Growth Hub £500k to establish the Hub and cover the first year of delivery, but until City Deal, ERDF and RGF funding the Hub core offer was limited largely to a team of five Growth Hub staff (plus secondees) – this slowed the initial momentum and impacts of the Hub.
- **Critical factor for the success of any portal is ensuring that you have relevant, high quality and up to date content.** New Anglia Business Information Portal has a dedicated Website Officer that is responsible for the day-to-day maintenance of the site, including managing and updating the content on the Portal. GAIN is trying to develop a more comprehensive and sophisticated portal that provides bespoke content for the different cohorts (students/academics/businesses/investors), and a virtual market place where these cohorts can identify and access the most appropriate support available

Delivering the best value for money

All of the project examples have faced challenges in defining value for money, given the absence of clear benchmarks and the fact that the delivery of impacts is often directly attributable to delivery partners, with the projects playing a facilitating role in bringing businesses and business services together. However, there are good practice lessons in respect of ensuring that overlaps are eliminated and that cost savings can be made through appropriate alliances, and that business support is targeted on those businesses that can deliver on the growth agenda.

- **Build on existing assets and expertise.** For example, operationally many of the processes of Business Link are still in existence, not least the national website and call centre. There could therefore be opportunities to syndicate content from national websites (e.g. content on the national Business Link website, could be white labelled through the website of a local policy intervention). **GAIN builds on existing assets and creates linkages between them to provide a holistic, joined-up business support offer** and a number of early wins have shown its approach to be effective
- **To achieve greatest impact a targeted approach should be considered,** especially for those areas with limited resource, e.g. targeting a specific sub-set of businesses

- **On-line tools do not always work effectively and deliver value for money.** Despite being a cheaper delivery option to face to face meetings, the take up of on-line tools by businesses and individuals can be low, as individuals can be reluctant to share data on-line. In the case of the Greater Manchester Growth Hub this resulted in them ceasing to use their on-line growth assessment tool-kit.
- **CRM is often expensive and complex and sharing lessons learnt between ‘hubs’ could be advantageous.** Additionally, many systems are simply too expensive for small agency contracts and a ‘sub-contract’ or sharing relationship could be beneficial. Again, this is another advantage of a Hub type approach, with economies of scale and greater potential longevity.
- **Face to face provision of support is identified as an important feature of the Greater Manchester Growth Hub model.** This, however, can be very expensive to deliver, so funding will be an issue. The Greater Manchester model is also applying a mix of web, telephone and face to face mechanisms, which may be considered more cost effective delivery approaches for other areas.

Meeting decentralisation and localism objectives

- **Importance of Local Authority and LEP endorsements:** The importance of established partnerships is also an important driver, for instance the start-up and development of the Manchester Business Growth Hub was driven by Combined Authority (AGMA) together with ‘political support’ – plus infrastructure, partnership arrangements and catalyst funding were place to act quickly and address gaps in business support.
- **No ‘one-size fits’ all model:** Local support interventions must be designed to be responsive to local economic conditions and addressing areas where the demands of businesses are not being met are critical. It is therefore important that the service offer is demand-led in both design and delivery. Rather than imposing a policy and then contracting the private sector to deliver it, **all of the four policy interventions have worked with employers and small businesses to help design the service offer.** Each intervention has been designed in consultation with local organisations and businesses, including the LEP, to ensure it meets national, regional and local and sub-regional challenges, strategic priorities and growth aspirations.
- **Understanding local economic conditions, market failures and the local support landscape.** Despite the apparent breadth of the current publicly and privately funded business support offer, there may remain some key areas where the demands of businesses are not being met, consequently restricting their growth potential. It is crucial to understand the local context and business environment – ensuring that the content of business advice, information and support is relevant to the local business growth needs and barriers. **This is an important task for identifying gaps in provision that are required to address barriers to business growth.** The development of the Greater Manchester Business Growth Hub model has been informed through on-going consultation with the business community and also through a review of commercial services and public sector business support programmes currently available to new and established companies in order to develop an extensive Hub Referral Network.

Simplification of the business support landscape

- **Complement and add value to national provision.** Providing a clear route to access national schemes, and tailoring them to the local audience where appropriate is a key success factor. The Greater Manchester Growth Hub has referral arrangements in place with both local and national providers through a Partner Engagement Strategy to ensure organisations that do not meet the eligibility criteria for the Hub are referred the most appropriate support. All of the assets and services in the network exist in their own right, but GAIN joins them together to create a critical mass, whilst improving access for businesses, investors, entrepreneurs and students/researchers and improving visibility and generating additional demand for the services provided.
- **Co-ordinate an integrated and consistent business support offer.** Thorough and effective business needs assessment and referral to appropriate support solutions is at the heart of all three interventions reviewed. For example, one of the key benefits of the Growth Hub model is that it aims to deliver added value by addressing the increasingly fragmented and complex business support offer that is evident across many LEP areas to ensure local businesses can find the public or privately funded business support which best meets their needs.
- **Aligning and embedding wider policy agenda.** This will be a key role for the LEPs to play, given their strategic function. In particular, they must bring the 'Heseltine growth agenda', skills programmes and the new European programmes together, all with a strong component of business support. A Hub could be a practical demonstration that a local area is committed to business and enterprise and has the service to nurture and grow local businesses.
- **Developing brokerage models.** The development of brokerage models can be important in order to address concerns about the quantity and quality of cross-referrals from different providers. For example, the Plymouth GAIN stakeholder interviews highlighted that a brokerage function would add greater value and ensure all clients receive an independent assessment of their needs, and are directed to the most appropriate solution available.
- The review of the interventions has also highlighted the importance of ensuring the support **model is neutral** to provide inclusivity and independence. It should be led by economic development, rather than political, aims. The Greater Manchester Growth Hub and Plymouth GAIN case studies also demonstrate the importance of a **holistic offer** – providing support from conception of ideas to on-going business support so that growing concepts and businesses can always move to the next step.

Summary

The previous points are brought together in Table 30 to set out the key messages from the case study projects.

Table 30: Summary of the emerging success factors and messages from the case study analysis

Policy intervention	Emerging lessons	Opportunities for replication
Greater Manchester Business Growth Hub	<ul style="list-style-type: none"> ● Established collaborative working arrangements and alliances exist between the private and public sector across the Greater Manchester LEP with shared priorities for business growth - including exploiting funding opportunities and accelerating the development of unique local-national solutions. ● SME Engagement Strategy to extend reach into local networks is critical for engaging target businesses. ● There is great benefit to having an organisation that handles customer acquisition and brokerage to solution providers – allowing providers to concentrate on delivery and reduce the sales focus. ● Growth Hub must have LA and LEP endorsement, and be aligned with government policy – BUT, with private sector backing (e.g. co-financing models, joint working agreements with banks). ● Must complement and build on existing infrastructure and expertise, including UK Trade and Investment, Growth Accelerator and MAS. 	<ul style="list-style-type: none"> ● Evidence of Growth Hubs being rolled out across the North West and England. ● No ‘one-size fits’ all model – Hubs must be designed to reflect specialisms in local economies and address areas where the demands of businesses are not being met through existing support provision. ● There is great benefit to having an organisation that handles this process. Providers can then concentrate on delivery (which they tend to be better at) and reduce the sales focus (which they tend to be weaker at). ● Applying a mix of web, telephone and face to face mechanisms may be considered more cost effective delivery approaches for other areas. ● Core function of the Hub must remain clear and consistent to avoid confusion in the market place and maintain a strong, visible brand. ● Content on the national GOV.UK website could potentially be white labelled through a Growth Hub web site. This could be a useful offer to other Growth Hubs.
Plymouth GAIN	<ul style="list-style-type: none"> ● Creating a critical mass of assets and services to simplify access through a single gateway. ● Neutrality of the model, which should be led by economic 	<ul style="list-style-type: none"> ● Potential to become self-sustainable through income and sponsorship from the private sector. ● Significant opportunities to transfer the GAIN model, or

Policy intervention	Emerging lessons	Opportunities for replication
	<p>development aims and aligned with national and LEP priorities.</p> <ul style="list-style-type: none"> ● Importance of holistic offer (and use of both virtual and physical components) to provide support to all businesses at all stages so that they can always move to the next step. ● GAIN portal, which will continue to evolve to become an advanced tool to provide tailored information and guidance for businesses and investors. ● Collaboration with the private sector in the design and implementation stage. ● GAIN may benefit from developing a performance measurement system that can accommodate the range of different support bodies. ● GAIN needs to continue to formalise its systems of governance in order to effectively engage the range of partners, let them know what they are aiming for and how they can contribute. 	<p>individual components of the model, to other areas.</p> <ul style="list-style-type: none"> ● Plymouth GAIN is already in discussions with a number of organisations about introducing similar schemes in Oxford, the Tees Valley, Coventry and Warwickshire. There has also been international interest from Boston and IBM about the potential for the GAIN model to be used in the United States. ● There are also opportunities to modify the model for each local area or transfer individual components of the model, such as: the portal, which has involved a lot of thinking and development time and could be white-labelled and introduced elsewhere; and the Formation Zones, which follow an approach that will work in other areas and could be franchised.
<p>New Anglia Business Portal</p>	<ul style="list-style-type: none"> ● The most critical factor for the success of any portal is ensuring that you have relevant, high quality and up to date content, which in turn is dependent on having dedicated human resources to add to/update the information on the portal, as well as a knowledgeable and well represented steering group. ● The ability to match the business support services and events to the end users' business details and preferences 	<ul style="list-style-type: none"> ● Whilst it is has never been the intention of the LEP for the portal to be 'sold' or transferred to other LEPs, it is entirely feasible to replicate it elsewhere should a need for a similar business information portal be identified. ● In terms of assessing the impact and effectiveness of this policy intervention monitoring the take up of support and services signposted on the portal will be absolutely critical. ● The Portal does not operate in isolation; it is part of wider

Policy intervention	Emerging lessons	Opportunities for replication
	<p>has supported a more tailored service.</p> <ul style="list-style-type: none"> • Represents a single point for directing local businesses to both public and private business support and service. 	<p>LEP strategy for business support (and growth) and the success of the portal is very much dependent on the availability of public and private business support locally and nationally.</p>
<p>West of England Charter mark</p>	<ul style="list-style-type: none"> • Need a flexible approach in developing the initiative across different types of providers. • Need to raise the profile and success of Charter Mark to both providers and employers so it is not seen as ‘another initiative’. Can only be done by demonstrating its relevance and added value. • Based on identified employer need. • Build on local skills drivers: employers’ skill needs; issues and dynamics; competition between providers. • Employers (not employer representatives) and providers were both involved in its development. • Involvement of a special school demonstrates its inclusivity. 	<ul style="list-style-type: none"> • Nothing inherent to the Charter Mark that would prevent its transferability. The challenges facing the WoE are the same as those in other economic areas. • Moreover, business needs are very similar across the country and schools, colleges and universities all share the same commitment to helping young people have successful futures. • Therefore, if the Charter Mark proves to be successful in the WoE, its success should be replicable through similar initiatives in other areas or even nationwide.

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